

**STRENGTHENING WIOA: IMPROVING  
OUTCOMES FOR JOBSSEKERS, EMPLOYERS,  
AND TAXPAYERS**

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**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON HIGHER EDUCATION  
AND WORKFORCE DEVELOPMENT  
OF THE  
COMMITTEE ON EDUCATION AND THE  
WORKFORCE  
U.S. HOUSE OF REPRESENTATIVES  
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## **STRENGTHENING WIOA: IMPROVING OUTCOMES FOR JOBSEEKERS, EMPLOYERS, AND TAXPAYERS**

**Wednesday, September 20, 2023**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON HIGHER EDUCATION AND WORKFORCE  
DEVELOPMENT,  
COMMITTEE ON EDUCATION AND THE WORKFORCE,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 10:20 a.m., House Rayburn Office Building, Room 2175, Hon. Burgess Owens [Chairman of the subcommittee] presiding.

Present: Representatives Owens, Thompson, Grothman, Stefanik, Smucker, Good, Moran, Foxx, Wilson, Takano, Manning, Bonamici, and Scott.

Also present: Walberg.

Staff present: Cyrus Artz, Staff Director; Nick Barley, Deputy Communications Director; Mindy Barry, General Counsel; Hans Bjontegard, Legislative Assistant; Isabel Foster, Press Assistant; Daniel Fuenzalida, Staff Assistant; Sheila Havenner, Director of Information Technology; Paxton Henderson, Intern; Amy Raaf Jones, Director of Education and Human Services Policy; Marek Laco, Professional Staff Member; Georgie Littlefair, Clerk; Hannah Matesic, Deputy Staff Director; Audra McGeorge, Communications Director; Gabriella Pistone, Oversight Legislative Assistant; Rebecca Powell, Staff Assistant; Brad Thomas, Deputy Director of Education and Human Services Policy; Maura Williams, Director of Operations; Savoy Adams, Minority Intern; Nekea Brown, Minority Director of Operations; Ilana Brunner, Minority General Counsel; Scott Estrada, Minority Professional Staff; Stephanie Lalle, Minority Communications Director; Raiyana Malone, Minority Press Secretary; Kevin McDermott, Minority Director of Labor Policy; Shyann McDonald, Minority Staff Assistant; Kota Mizutani, Minority Deputy Communication Director; Veronique Pluviose, Minority Staff Director; Clinton Spencer IV, Minority Staff Assistant.

Chairman OWENS. The Subcommittee on Higher Education Workforce Development will come to order. I note that a quorum is present. Without objection, the Chair is recognized to call a recess at any time. Welcome to today's hearing on Strengthening the Workforce Innovation Opportunity Act.

WIOA was enacted in 2014 by a split Federal Government, democrats controlled the Senate and the White House while the Republicans controlled the House. At the time, WIOA was a strong step

in the right direction. It finally consolidated and attached established Federal workforce programs with six primary indicators of performance, to ensure accountability to the taxpayer.

As we fast forward to today, unfortunately, the lingering problems of unemployment and skilled worker shortages is still persistent. The composition of the Federal Government might mirror that of 2014, but the workforce system today in 2023 is facing greater challenges to equip job seekers with in demand skills.

In July 2014, the United States has 4.8 million unfilled jobs. In July of this year there were 8.8 million unfilled jobs. An increase of 4 million. Further, the labor force participation rate has not improved since WIOA was first enacted. To distract from this harsh reality, some point to the unemployment rate. The reality is though that the employment rate paints an incomplete picture of the American workforce.

The real story is that too many young, discouraged men and women have been forced out, and are now sitting on the sidelines of our economy. I see a number of bipartisan common-sense changes that this Committee can make to WIOA to bring these dislocated workers back into the fold.

To implement meaningful reform, this Committee's north star has been maximizing outcomes for job seekers and employers. We must also improve outcomes by cutting back wasteful inefficient bureaucracy. We hear from employers across the country that they do not participate in WIOA due to its time consuming burdens.

Overly prescriptive requirements stifle flexibility and efficiency. Instead, WIOA should focus on developing where it matters the most. For instance, WIOA contains approximately 75,000 eligible skill development programs, yet the lack of performance data for most programs means job seekers and employers are left guessing which programs are valuable.

The committee should also look into potential reforms regarding the accountability mechanisms enshrined in WIOA. The inability to obtain workforce performance data is just one issue, but even when data is available, the present system fails to enforce accountability measures.

To date WIOA still implements according to a lax transition standard meant to ease the state's administrative burdens, while adjusting to the 2014 law. Nearly 10 years later the Department of Labor has not fully implemented WIOA's accountability, meaning every State is considered a performance success, despite our workforce malaise.

Finally, reform can improve outcomes for job seekers and employers by encouraging innovation. The provisions of the present law that expressly prohibits states from adapting and innovating to the rapidly changing economy. This could be an easy bipartisan fix, deregulating the key areas, like allowing states to restructure how they can make services available to job seekers and employers will help them unleash the American workforce, allowing the innovators to have skin in the game to innovate.

Job seekers, employers, and communities in our country wins big time. The American economy is an incredible with potential, however, it is abundantly clear this Committee needs to reevaluate and reform various aspects of WIOA to build on that potential by cut-

ting bureaucracy, developing accountability and encouraging innovation we can ensure a brighter promising future for America's workforce. With that, I yield to the Ranking Member for her opening statement.

[The Statement of Chairman Owens follows:]



## COMMITTEE STATEMENT

**Opening Statement of Rep. Burgess Owens (R-UT), Chairman  
Subcommittee on Higher Education and Workforce Development  
Hearing: "Strengthening WIOA: Improving Outcomes for Jobseekers, Employers,  
and Taxpayers"  
September 20, 2023**

(As prepared for delivery)

Welcome to today's hearing on strengthening the *Workforce Innovation and Opportunity Act* (WIOA).

WIOA was enacted in 2014 by a split federal government. Back then, Democrats controlled the Senate and White House while Republicans controlled the House.

At the time, WIOA was a strong step in the right direction. It finally consolidated and aligned many federal workforce programs and attached six "primary indicators of performance" to ensure accountability for taxpayers.

But fast forward to today, and the lingering problems of unemployment and skilled worker shortages persist. The composition of the federal government might mirror that of 2014, but, arguably, the workforce system faces greater challenges today than ever to equip jobseekers with in-demand skills.

In July of 2014, the United State had 4.8 million unfilled jobs. In July of this year, there were 8.8 million unfilled jobs, an increase of four million. Further, the labor force participation rate has not improved a bit since WIOA was enacted.

To distract from this harsh reality, some will tell you to focus on the unemployment rate. While low, the unemployment rate paints an incomplete picture of the American workforce. The real story is that too many young, discouraged men and women have been pushed out and are now sitting on the sidelines of our economy.



I see a number of bipartisan, commonsense changes that this Committee can make to WIOA this Congress to bring these dislocated workers back into the fold. For any and every reform, this Committee's north star should be maximizing outcomes for jobseekers and employers.

First, we can improve outcomes by cutting back the wasteful and inefficient bureaucracy. We hear from employers across the country that they do not participate in WIOA due to its time-consuming burdens. Overly prescriptive requirements act like a wet blanket on the whole system, stifling modernization, flexibility, and efficiency. Instead, WIOA should focus efforts on delivering where it matters the most. For instance, WIOA contains approximately 75,000 eligible skills development programs, yet the lack of performance data for most programs means jobseekers and employers are left guessing which programs are valuable.

That leads to my next point; the Committee should look into potential reforms to the accountability mechanisms enshrined in WIOA. The inability to attain performance data is one issue, but, even when the data is available, the workforce system fails to enforce accountability measures.

To date, WIOA is still implemented according to a lax, transition standard meant to ease the administrative burden on states while adjusting to the law. Nearly ten years later, the Department of Labor has not fully implemented WIOA accountability, meaning every state is considered a "performance success" despite our workforce malaise.

Finally, reform can improve outcomes for jobseekers and employers by encouraging innovation. Provisions of the law expressly prohibit states from adapting and innovating to the rapidly changing economy. Deregulating in key areas, like in allowing states to restructure how they make services available to jobseekers and employers, will help unleash the American workforce.

The American economy has incredible potential; however, it is abundantly clear that we need to reevaluate and reform various aspects of WIOA to deliver on that potential. By cutting bureaucracy, delivering accountability, and encouraging innovation, we can ensure a bright and promising future for America's workforce.

Ms. WILSON. Thank you. Thank you so much Chairman Owens, and thank you to the witnesses for your testimonies today, and welcome. Thanks to the investment made by congressional democrats and the Biden administration, the past 2 years were the first and second largest job growth years in American history.

American history. Without a doubt, this has been monumental for American workers for their families, and for the economy. In fact, our economy has added more than 13 million jobs since President Biden took office. According to the Economic Policy Institute low wage workers have experienced the fastest real wage growth seen since during any business cycle peak since 1979.

This historic growth was made possible by the American Rescue Plan, the Inflation Reduction Act, and the work of democrats to build the economy from the bottom up and middle out. These laws secured historic investments to help vulnerable workers, accelerate economic growth and lower the costs for everyday families.

Democrats remain focused on building the economy from the bottom up, and in the middle out. To build on this progress, we can help Americans access and benefit from these new job opportunities by fully investing in our workforce system, reducing barriers for underserved workers, and improving the quality of job opportunities.

If we want to improve outcomes for job seekers, employers, and taxpayers, we must put serious money behind the Workforce Innovation and Opportunity Act, while simultaneously holding training, providers and workforce boards accountable. Young people, workers forced out of their jobs, and justice involved individuals are counting on us to work together to improve the workforce system, and to meet the demands of the millions of new high skill, high wage jobs.

With that, Mr. Chair, I yield back, and I look forward to a productive discussion. Thank you.

[The Statement of Ranking Member Wilson follows:]



## OPENING STATEMENT

House Committee on Education and the Workforce  
Ranking Member Robert C. "Bobby" Scott

### Opening Statement of Ranking Member Frederica Wilson (FL-24)

Subcommittee on Higher Education and Workforce Development

*"Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and Taxpayers"*

2175 Rayburn House Office Building

Wednesday, September 20, 2023 | 10:15 a.m.

Thank you. Thank you so much, Chairman Owens, and thank you to the witnesses for your testimonies today.

And welcome.

Thanks to the investments made by Congressional Democrats and the Biden administration, the past two years were the first and second largest job growth years in American history.

American history.

Without a doubt, this has been monumental for American workers, for their families, and for the economy.

In fact, our economy has added more than 13 million jobs since President Biden took office.

According to the Economic Policy Institute, low-wage workers experienced the fastest real wage growth seen since during any business cycle peak since 1979.

This historic growth was made possible by the *American Rescue Plan* (ARPA), the *Inflation Reduction Act*, and the work of Democrats to build the economy from the bottom up and middle out. These laws secured historic investments to help vulnerable workers, accelerated economic growth, and lowered the cost for every day families.

Democrats remain focused on building the economy from the bottom up and the middle out.

To build on this progress, we can help Americans access and benefit from these new job opportunities by fully investing in our workforce system, reducing barriers for underserved workers, and improving the quality of job opportunities.

If we want to improve outcomes for job seekers, employers, and taxpayers, we must put serious money behind the *Workforce Innovation and Opportunity Act* while simultaneously holding training providers and workforce boards accountable. Young people, workers forced out of their jobs, and justice-involved individuals are counting on us to work together to improve the workforce system and to meet the demand of the millions of new high-skill, high wage jobs.

With that Mr. Chair, I yield back, and I look forward to a productive discussion. Thank you.

Chairman OWENS. Thank you. Pursuant to Committee Rule 8-C, all members who wish to insert written statements into the record may do so by submitting them to the Committee Clerk electronically in Microsoft Word format by 5 p.m., 14 days after the date of this hearing, which is October 4, 2023.

Without objection, the hearing record will remain open for 14 days such that such statements and material referenced during the hearing will be submitted for the official record hearing. I now turn to introduce our four distinguished witnesses.

First witness is Mr. Scott B. Sanders, who is the President and CEO of the National Association of State Workforce Agencies located here in Washington, DC.

Our second witness is Ms. Rya Conrad-Bradshaw, who is the Vice President of Corporate Markets for the Cengage Group, which is in Boston, Massachusetts.

I will turn to Ranking Member Wilson to introduce the witness.

Ms. WILSON. Thank you, Mr. Chairman. I have the honor of introducing the next witness, Mr. Rick Beasley from the great State of Florida. Mr. Beasley is the Executive Director of the South Florida Workforce Investment Board, which serves as the local workforce board for Miami-Dade County and Monroe County. As Executive Director, Mr. Beasley strives to find solutions to workforce issues paramount to my district's long-term economic viability, and the economic mobility of its residents.

Thank you for agreeing to testify Mr. Beasley, and I yield back to the Chairman.

Chairman OWENS. Our final witness is Mr. Mason Bishop, who is a Nonresident Fellow at the American Enterprise Institute here in Washington, DC.

I want to thank the witnesses here today and look forward to your testimony. Pursuant to Committee rules, I would ask you to each limit your oral presentation to a 5-minute summary of your written statement. I would also like to remind the witnesses to be aware of their responsibilities to provide accurate information to the Subcommittee. I will first recognize Mr. Sanders.

**STATEMENT OF MR. SCOTT B. SANDERS, PRESIDENT AND CEO, NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES (NASWA), WASHINGTON, D.C.**

Mr. SANDERS. Chairman Owens, Ranking Member Wilson, and members of the Subcommittee, thank you for inviting me here today to testify on behalf of the National Association of State Workforce Agencies of NASWA. The members of our nonpartisan association are the State leaders and their agency staff of the publicly funded workforce system, which implements the WIOA career services and skills development programs, labor market and information programs, and in many instances, other human services programs.

Our members represent the 50 State workforce development agencies, plus the agencies in the District of Columbia, Guam, Puerto Rico and the Virgin Islands, four key opportunities to strengthen the management, delivery and evaluation of WIOA services are one, increase flexibility for states; two, sustain staffing flexibility; three, strengthen alignment of workforce programs with

postsecondary education to support infrastructure and industrial investments.

Four, improve performance measurements and other data driven strategies. While NASWA members represent different populations, economies and administrative structures, they agree that increased flexibility is essential. Without such flexibility, states will continue to face challenges in developing and implementing innovative strategies to produce short-term and longer term results.

Based upon their experiences from the field, NASWA members have identified several areas in WIOA for improved State flexibility. The areas for improved State flexibility are expanding eligibility to incumbent workers who are at higher risk of displacement, allowing the states to use funding across adult dislocated workers, and youth programs, to better serve their constituents based on the specific need and improving options under youth programs to allow targeted delivery of services.

Since the early 1990's, employment service or ES staffing flexibility was used by states that demonstrated alternative staffing models such as Colorado and Michigan. In 2022, the U.S. Department of Labor reversed course by proposing a new rule that would require State merit staff to deliver ES services, which would potentially disrupt service delivery, impose new costs, and create administrative burdens on the workforce system.

Nearly all NASWA members urged the Subcommittee to support ES staffing flexibility in WIOA, where they will exercise this possibility or not.

To meet the goals Congress established in the bipartisan Infrastructure Law, the Chips Act and the Inflation Reduction Act, new partnerships should engage State workforce and education systems, industries, community organizations and others will be required to enable informed, strategic decisions, and actions resulting in successful outcomes.

Federal agencies must work together to assure that State agencies have a vital role at industry specific planning tables, and support State agencies with the resources, technical assistance and guidance to ensure the success of historic infrastructure investments.

Since 2021, NASWA has supported the creation of multi-State data collaboratives that currently are comprised of almost 30 states from the East, Midwest and South. These collaboratives support State agencies to increase data quality and analytics, and expand access to data and data sharing among workforce system stakeholders.

To sustain these collaboratives, and expand them to the remaining states, NASWA recommends adding infrastructure and other industry partners to align resources that support informed decisionmaking, making that go beyond producing just basic State workforce data.

NASWA members fully support WIOA's vision for a strong and transparent performance accountability system. For example, the Subcommittee could one, streamline and improve performance measures by updating indicators based on data currently collected.

Two, make performance target negotiation process more cost effective and having a department's proposed target first for states use.

More immediately, NASWA recognizes the time pressure on the Subcommittee to improve performance and accountability, and the use of data to get the model right. NASWA offers to quickly assemble a small group of State performance and technical experts to help you and your staff determine how best to improve WIOA performance accountability, including data use and evaluation.

Chairman Owens, Ranking Member Wilson and members of the Subcommittee, thank you for the opportunity to share NASWA's view about strengthening WIOA.

[The Statement of Mr. Sanders follows:]



STATEMENT OF

SCOTT B. SANDERS, PRESIDENT AND CHIEF EXECUTIVE OFFICER

NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES (NASWA)

BEFORE THE

HOUSE EDUCATION AND THE WORKFORCE  
SUBCOMMITTEE ON HIGHER EDUCATION AND WORKFORCE DEVELOPMENT  
UNITED STATES HOUSE OF REPRESENTATIVES

STRENGTHENING WIOA: IMPROVING OUTCOMES FOR JOB SEEKERS, EMPLOYERS,  
AND TAXPAYERS

SEPTEMBER 20, 2023

NASWA  
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Chairman Owens, Ranking Member Wilson, and Members of the Subcommittee, thank you for inviting me here today to testify on behalf of the National Association of State Workforce Agencies (NASWA). I particularly want to thank you, Chairman Owens, and Ranking Member Wilson for hosting this timely hearing to explore ways to improve Workforce Innovation and Opportunity Act (WIOA) services to better benefit both workers and employers as well as the broader economy.

I am Scott Sanders, President and Chief Executive Officer of NASWA, a national non-profit, non-partisan organization that represents state agencies who provide services to both workers, leading to their labor market success, and employers, creating talent pipelines of skilled workers. Prior to joining NASWA, I served as Commissioner of the Indiana Department of Workforce Development which operated the state's workforce programs under WIOA, Adult Education and Unemployment Insurance.

NASWA members are the fifty state workforce development agencies, plus the agencies in the District of Columbia, Guam, Puerto Rico, and the Virgin Islands, which administer unemployment insurance, Workforce Innovation and Opportunity Act (WIOA) career services and skills development programs, labor market information programs, and in many instances, other human services programs. NASWA serves as an advocate for state workforce programs and policies, a liaison to federal workforce system partners, a forum for the exchange of information and promising practices, and a champion for state innovation and leadership in workforce development. NASWA is governed by a Board of Directors elected from the Administrators of the state workforce agencies.

Lessons NASWA members have learned from the COVID-19 pandemic and current economic recovery underscore the need for state flexibility and innovation to make necessary,



strategic investments to provide cost-effective, results-oriented workforce services to greater numbers of workers and employers in urban, suburban, and rural locations. I will highlight four key opportunities to strengthen the management, delivery, and evaluation of WIOA services: (1) increased flexibility for states; (2) sustained staffing flexibility; (3) strengthened alignment of workforce programs with postsecondary education to support infrastructure and industrial investments; and (4) improved performance measurement and other data-driven strategies.

#### **1. Increased Flexibility for States**

WIOA is intended to enhance workforce investments in such areas as career pathways and industry partnerships as well as improve collaboration among core programs<sup>1</sup> and other public and private sector partners. Under WIOA, the workforce system can become nimbler in responding to changing worker, employer, and workplace needs while providing better quality services and outcomes. To do so requires increased state flexibility, which enables states to anticipate labor market disruptions, support displaced and vulnerable workers, and help young people progress along paths that lead to career success. While NASWA members represent different populations, economies, and administrative structures, they agree that increased flexibility is essential to effectively respond to regional and cross-state challenges facing workers and employers. Without such flexibility, states will continue to face challenges in developing and implementing innovative strategies to produce desired short- and longer-term results.

Based upon their experiences from the field, NASWA members have identified several

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<sup>1</sup> Core programs are Title I Adult, Dislocated Worker, and Youth programs and Title III Employment Service program authorized under the Wagner-Peyser Act administered by U.S. Department of Labor; and the Title II Adult Education and Family Literacy Act program, and Title IV State Vocational Rehabilitation programs under the Rehabilitation act of 1973 administered by the U.S. Department of Education.

areas where increased state flexibility will make a positive and tangible difference to local, regional, and state economies.

- First, grant states the flexibility under WIOA to expand eligibility to incumbent workers who are at high risk of displacement, allowing states to proactively support worker transitions to high priority sectors or equip them with new skills to meet changing technology demands.
- Second, allow states the flexibility to utilize WIOA funding across WIOA programs – Adult, Dislocated Workers and Youth - to meet current needs and better anticipate future labor market disruptions. This would enable states to utilize existing WIOA funding to support other needs such as producing high quality, timely labor market statistics to support decision-making.
- Third, give states more flexibility under the WIOA youth program to prioritize state and local youth populations in need of career and employment opportunities and plan or oversee service delivery accordingly.

We believe these flexibilities will improve the workforce system's capacity to deliver high quality services that connect people to jobs and employers to skilled workers in an environment where the economy, labor market(s), and workplaces are changing rapidly and in many ways since WIOA was enacted.

## **2. Sustained Staffing Flexibility**

WIOA makes the Wagner-Peyser Employment Service (ES) program the primary component of most state workforce systems since services are universally available to all job

seekers and all employers<sup>2</sup>. WIOA requires the ES program be physically located in WIOA One-Stop or American Job Centers (AJCs). ES customers are Adult, Dislocated Worker, and Youth program job seekers, workers, and employers; the ES program provides similar basic career services on a group or individual basis as those offered in One-Stop centers or AJCs. States oversee a network of One-Stops and AJCs that utilize various staff to deliver WIOA career services – state or local merit employees, contractors, other public or private personnel or a combination.

Neither the Wagner-Peyser Act nor WIOA require the use of state merit staff in the delivery of ES services through the One-Stop Center or AJC network – the merit staff requirement is a combination of policy and regulation. In practice and policy, ES staffing flexibility dates back to the early 1990s for states that demonstrated alternative staffing models such as Colorado and Michigan. In 2020, the U.S. Department of Labor (USDOL) issued another ruling that supporting these alternative staffing models and encouraged innovative and creative approaches to deliver ES services and activities. In 2022, the USDOL reversed course by proposing a new rule that would require state merit staff to deliver ES services, which would potentially disrupt service delivery, impose new costs, and create administrative burdens on the workforce system – a decision that is in direct conflict with WIOA’s intent to enhance coordination and integration of workforce related services.

Nearly all NASWA members urge the Subcommittee to support ES staffing flexibility in WIOA -- whether they will exercise this possibility or not. This would ensure that demonstration states and other states that operate alternative ES service delivery models, in whole or in part,

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<sup>2</sup> A service unique to the ES is administration of the Work Test to workers a state determines are eligible for UI benefits to ensure they are able, available, and actively seeking work consistent with state law.

can continue to do so. In addition, such policy could encourage other states interested in seeking innovative, cost-effective alternative staffing models to undertake and test new ways to improve the delivery of ES and WIOA career services.

**3) Strengthened Alignment of Workforce Programs with Postsecondary Education to Support Infrastructure and Industrial Investments**

To meet the goals Congress established in the Bipartisan Infrastructure Law (BIL), the Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act, and the Inflation Reduction Act (IRA), dynamic partnerships that engage state workforce and education systems, industries, community organizations, and others will be required and will enable informed, strategic decisions and actions resulting in successful outcomes. To succeed, these infrastructure, semiconductor manufacturing, energy, and related sectors ultimately need to employ thousands of workers equipped with the skills, knowledge, and postsecondary credentials to meet employers' needs. If these infrastructure investments can bring funds to the workforce system, federal agencies must work together to assure that state agencies have a vital role at industry strategic planning tables and support state agencies with the resources, technical assistance, and guidance to ensure the success of the historic infrastructure investments.

The Subcommittee should be aware that across the country, and supported by NASWA, multi-state data collaboratives are supporting state agency efforts to increase data quality and analytics and expand access to data and data sharing among workforce, postsecondary education, human services, and other agencies. Almost thirty states in the Midwest, East, and South participate in multi-state collaboratives with NASWA to provide enriched insights and research findings to help the workforce system (and related partners) better respond to the

information needs of customers, policymakers, and practitioners. To sustain these multi-state collaboratives and expand them to other states, NASWA suggests that the Subcommittee:

- Enhance partnerships among workforce, education, and labor market systems to include infrastructure and other industry partners to align resources that support more informed decision-making and go beyond the production of basic state workforce data.
- Direct the federal agencies implementing infrastructure and industry investments to align resources, including planning and grant-making actions, to support state workforce systems as they address significant workforce and employer needs.

This will require some rethinking of programming by all affected federal agencies and active engagement of state agencies and other partners. However, NASWA suggests that by doing so, current, and future resources, will more cost-effectively provide better workforce system outcomes.

#### 4) **Improved Performance Measurement and Other Data-Driven Strategies.**

WIOA, when enacted in 2014, made significant changes to strengthen and align performance accountability to assess the effectiveness of states and local areas in achieving positive outcomes for the individuals served under the six core programs. For example, WIOA (1) created and requires each core program to use six common performance measures and collect data using a common set of data elements; (2) required a statistical adjustment model be used to negotiate state and local WIOA performance goals; (3) obliged eligible training providers (ETP) to submit performance data on all students in approved programs; and (4) required states to submit annual reports on ETP performance and make labor market information available to inform state

and local WIOA plans, including in-demand industries and occupations. WIOA also emphasized integrated reporting systems and state evaluation activities.

In addition to these positive changes, states identified several challenging impacts created by the complexity of WIOA performance accountability requirements. For example, states faced:

- Changes to customer-level reporting and resulting need for staff professional development and guidance for local or regional workforce areas;
- A new process of negotiating performance targets at the state and local levels;
- The collection of new data especially from eligible training providers (ETPs) and others; and
- Confusion about the meaning and usefulness of select new performance indicators (such as fourth quarter employment after leaving the WIOA program, meaningful skill gains, or effectiveness in serving employers) which each required modifications to information systems and the provision of related state, local, and provider staff professional development.

NASWA members fully support WIOA's vision for a strong and transparent performance accountability system. However, this does not mean more performance-related data; rather, it means data sets that are accessible to and used by WIOA customers, policymakers, and practitioners. For example, WIOA could:

- Incent states to work across sectors and state lines to leverage linked administrative data including state longitudinal educational and workforce systems for both policy and practice. This should include support for enhanced data analytics and research and evaluation expertise in state workforce and education agencies.
- Support ways for states to demonstrate how to create a more cost-effective way of

obtaining better participant outcome data from such sources as individuals' employment from the National Directory of New Hires, enrollment in postsecondary education from the National Student Clearing House, or matching individual's tax data from the IRS.

More immediately, NASWA recognizes the time pressure on the Subcommittee to improve performance accountability and the use of data to "get the model right." Should you, Chairman Owens, and Ranking Member Wilson agree, NASWA offers to assemble a small group of performance and technical experts from states to help you and your staff determine how best to improve WIOA performance accountability, including data use and evaluation.

Thank you for the opportunity to share NASWA's view about strengthening WIOA. NASWA and its members look forward to engaging with you, Chairman Owens, Ranking Member Wilson, and Members of the Subcommittee to improve services that best address the needs of our member states, and America's jobseekers, workers, and employers during these challenging economic times.

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Chairman OWENS. Thank you Mr. Sanders. I will now introduce Ms. Conrad-Bradshaw.

**STATEMENT OF MS. RYA CONRAD-BRADSHAW, VICE PRESIDENT, CORPORATE MARKETS, CENGAGE GROUP, BOSTON, MASSACHUSETTS**

Ms. CONRAD-BRADSHAW. Chairman Owens, Ranking Member Wilson, and members of the Subcommittee. Thank you for the opportunity to be here today to share Cengage Group's perspective on ways to strengthen and modernize the Workforce Innovation and Opportunity Act.

My name is Rya Conrad-Bradshaw, and I serve as the Vice President of Corporate Markets for the Cengage Group. Cengage Group is one of the largest education technologies companies in the world.

We provide quality digital products and services to millions of students across the globe, with a mission to connect education to employment. I lead our efforts with employers to build talent pipelines and upscaling programs to meet their high demand workforce needs.

I have spent the last dozen years working with higher education, nonprofits and employers to create innovation solutions, including more than 6 years at the industry-leading workforce provider Year Up.

With major technology transformation in our economy, some estimate that up to 40 percent of the workforce will need to reskill over the next 3 years. At the same time there are significant talent shortages in jobs critical to America's economy, including more than 300,000 shortage in allied health, and more than 600,000 in cybersecurity.

Given these shortages, our Nation must rethink the way in which our workforce obtains and maintains the skills most in demand by employers. As Congress begins to reauthorize WIOA, it must align workforce investment with economic development.

In 2021, only 35 percent of those participating, approximately 223,000 people received training services through WIOA's adult dislocated worker and youth formula grant program.

If we want WIOA to serve more learners and meet the economic imperative, the program must refocus its mission to deliver these skills and competencies needed for the country's most in demand jobs. One of the most important ways to address this is to improve the eligible training provider list, which is what I was asked to discuss specifically here today.

These lists are a critical tool for WIOA participants, and employers to determine high quality, best in class providers. According to a recent Harvard report, one of the biggest challenges at the ETPL is that there are collectively more than 75,000 eligible programs for more than 7,000 providers in more than 700 occupational fields.

The sheer size and scope of these lists make it hard for participants and employers to navigate and find the right program. Further, most eligible programs do not provide any outcome data on all enrolled, despite the current law's requirement.

A new DOL website designed to show performance information by program shows that over 75 percent lack basic information on completion, employment rates, median earnings and credentials



earned. This is in part due to the lack of consistent methods of collecting data, as well as the cost, time and difficulty to report on these outcomes.

I would like to lay out a few policy recommendations that I would believe would improve the ETPL. First, Congress should work with the U.S. Department of Labor to determine what barriers exist when collecting and publishing data to ensure at least a baseline of every eligible program's outcomes are made public.

At a minimum, these outcomes should focus on completion rates, expected earnings, and pass rates for industry recognized credential attainment. Second, Federal, State and local governments should facilitate access to centralized tools to assist providers in obtaining accurate outcomes data.

Such tools would reduce bias in reporting metrics, defray costs of collecting information, increase transparency, and improve resource allocation to target programs that generate results.

Third, states should be encouraged to work collectively to recognize best in class providers across State lines, and prioritize these programs that are employer sponsored, particularly those where employers have financial skin in the game, provide on the job work experience, or commit to providing program completers an opportunity for employment.

Fourth, states should create probationary eligibility pathways that allow for innovation and experimentation of new programs and providers, which are able to keep up with the pace of change.

Fifth, Congress should affirm multiple modalities, including on-line and hybrid models, as long as they continue to meet the outcome metrics required of all programs.

Finally, Congress should allow One Stop career staff the ability to better coordinate Federal and State resources, especially between Pell Grants, WIOA individual training accounts, and other Federal workforce programs to allow for more flexibility in covering the cost of workforce development programs.

I would like to thank the Subcommittee for inviting me here today. As you begin the reauthorization of WIOA, I urge you to take a more demand led approach.

These systems must keep pace with industry and with innovation, otherwise we risk further widening the wealth gap in our society, and contributing to a less competitive position in the global marketplace. Thank you.

[The Statement of Ms. Conrad-Bradshaw follows:]



**Written Testimony of Rya Conrad-Bradshaw  
Vice President, Corporate Markets  
Cengage Group**

**U.S. House Committee on Education and the Workforce  
Subcommittee on Higher Education and Workforce Development**

**“Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and Taxpayers”**

**September 20, 2023**

Chairman Owens, Ranking Member Wilson, and Members of the Subcommittee:

My name is Rya Conrad-Bradshaw and I serve as the Vice President of Corporate Markets for Cengage Group. During the last one hundred years, Cengage Group has evolved into one of the largest education technology companies in the world. Today, we provide quality digital products and services to millions of students, equipping them with skills and competencies needed to advance their careers and improve their lives. In my role, I lead our work directly with employers to build skill-to-hire and internal upskilling programs that meet industry's high demand roles and workforce needs. I have spent the last dozen years at the intersection of education and employment working with higher education, non-profits, and employers to create innovative talent pipeline solutions, including more than six years at the industry-leading workforce skills provider Year Up.

Thank you for the opportunity to be here today to share Cengage Group's perspective on ways to strengthen and modernize the Workforce Innovation and Opportunity Act (WIOA) by unlocking innovation, expanding accountability, and ensuring learners have access to best-in-class providers offering the skills education demanded by employers and job seekers alike.

#### **The Evolving Education and Workforce Landscape**

A major transformation is happening across our economy spurred by rapid advancements in technology and automation, particularly related to artificial intelligence, which are changing both the workforce and the workplace. In fact, some estimate that up to 40% of the workforce will need to reskill due to these disruptions over the next three years.<sup>1</sup> At the same time, there are significant talent shortages in jobs critical to America's economy. There is an annual shortage of 300,000 certified allied health professionals in the U.S.,<sup>2</sup> more than 663,000 open cybersecurity jobs,<sup>3</sup> an estimated 2.1 million manufacturing jobs

<sup>1</sup> IBM, "Augmented Work for an Automated, AI-Driven World," 2023: <https://www.ibm.com/blog/new-ibm-study-reveals-how-ai-is-changing-work-and-what-hr-leaders-should-do-about-it/>.

<sup>2</sup> Cengage Group, "10 Tips for Healthcare Providers to Address Critical Entry-Level Talent Shortages in 2023," 2023: <https://www.cengagework.com/docs/10%20Tips%20for%20Healthcare%20Providers.pdf>

<sup>3</sup> Cyber Seek, "Cybersecurity Supply/Demand Heat Map," 2023: <https://www.cyberseek.org/heatmap.html>

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going unfilled by 2030,<sup>4</sup> and more than half a million construction workers are needed to meet 2023 demand alone.<sup>5</sup>

Given these on-going labor shortages, our nation must rethink the way in which our workforce obtains and maintains the skills most in-demand by employers, and which provide the most opportunities for workers in today's economy. This means making lifelong learning a necessity by providing multiple high-quality pathways between work and education.

At Cengage Group, we work with employers to build these strategic talent pipelines and map these learning pathways so they can access and upskill qualified talent. This ensures those participating in our programs are receiving skills development that is in high-demand and leads to real job opportunities. To date, we have collaborated with over 2,000 corporate, academic, and workforce agency partners and have helped more than 3.5 million people develop new skills. In fact, this year alone over 250,000 learners will access Cengage Group's offerings to gain occupational skills, complete certification and licensing education requirements, or pursue a new skillset in a high demand field, such as allied health, information technology, cybersecurity, or in the skilled trades.

We believe models such as these, those valued by employers and delivering results for participants, can provide important insights and lessons as Congress begins to modernize WIOA. Cengage Group is not alone in helping to meet the needs of job seekers and employers. Many other providers from community colleges to community-based organizations to libraries all play a part in this effort. The federal government, along with state and local governments, also play a key role in helping to organize, incentivize, and support the cost of workforce development. With respect to the federal government, today, WIOA is the primary source of funding to help unemployed and underemployed adults obtain employer-driven, workforce skills development. This is why we believe that within our nation's workforce system, WIOA plays a unique role in helping to address these challenges. It has the potential to measure a program's effectiveness, take good models to scale, offer reskilling opportunities in the nation's most high-demand occupations, and serve as a consistent funding source for state and local communities.

### **Modernizing WIOA: Aligning Workforce Development with Economic Development**

The last reauthorization of WIOA made several important updates to the prior Workforce Investment Act – and I will note that it was you, Chairwoman Foxx and Ranking Member Scott who came together with others in a bipartisan fashion to spearhead those important changes – such as developing common measures and easing direct access to skills development. But much of the workforce transformation I noted above has occurred since that time, and today changes are needed to this law to ensure it is meeting the needs brought about by this transformation.

Most importantly, we believe Congress must better align workforce development with economic development. To illustrate this point, according to the latest data available, in

<sup>4</sup> EY and The Manufacturing Institute, "How Adaptive Skills Can Play a Pivotal Role in Building the Manufacturing Sector of the Future," 2022: [https://www.ey.com/en\\_us/advanced-manufacturing/the-manufacturing-institute-adaptive-skills-study](https://www.ey.com/en_us/advanced-manufacturing/the-manufacturing-institute-adaptive-skills-study)

<sup>5</sup> Associated Builders and Contractors. Website accessed on September 16, 2023: <https://www.abc.org/Workforce/Workforce>

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program year 2021, only 223,000 people received “training services” through WIOA’s adult, dislocated worker, and youth formula grant programs. This amounted to just 35% of those participating. If we want WIOA to serve more learners, the program must refocus its mission to delivering the skills and competencies needed to fill the country’s most in-demand jobs. Congress should consider setting a minimum amount of funds that must be spent on skills development and should prioritize those programs where employers are central in the design and implementation of the program. By leveraging employer-sponsored programs, including “on-the-job” and “customized training” programs, WIOA funds will better serve more participants and support local labor market needs.

### **Challenges with the Current Eligible Training Provider List (ETPL)**

In addition to the reforms highlighted above, one of the most significant reforms needed is to the “eligible training provider list” developed and overseen by states. These lists are a critical tool for participants and employers to determine high-quality, best-in-class, and accountable providers.

According to the recently published report, “Navigating Public Job Training,” by Harvard’s Project on Workforce, one of the biggest challenges with the ETPL is that there are more than 7,000 providers included, encompassing approximately 75,000 eligible programs in more than 700 occupational fields nationwide.<sup>6</sup> The sheer size and scope of these lists make it hard for participants and employers to navigate to find the right program that meets their needs.

Further, most eligible programs on these lists do not provide any performance outcome data, despite the requirement under current law to do so for all participants. As noted by the Harvard report, TrainingProviderResults.gov, a U.S. Department of Labor developed website designed to show performance information by program, akin to the Department of Education’s College Scorecard, found that over 75% of programs lack basic program information on completions, employment rates, median earnings, and credentials earned.<sup>7</sup> This leaves WIOA participants with no way to decipher quality, often having to choose blindly when enrolling in a program.

Finally, there is no consistent method to collecting data on performance outcomes. The U.S. Government Accountability Office has reported on the challenges providers have in obtaining this information and the subjectivity surrounding the collection and determination of what is reported, including using self-reported data from participants themselves.<sup>8</sup> The cost and time spent on such endeavors have contributed to the reluctance of quality providers, including some community colleges, from participating in WIOA-related programs.

<sup>6</sup> David Deming, Alexis Gable, Rachel Lipson, and Arkādījs Zvaigzne, Harvard Project on Workforce, “Navigating Public Job Training,” March 2023: <https://www.pw.hks.harvard.edu/post/publicjobtraining>

<sup>7</sup> Ibid.

<sup>8</sup> U.S. Government Accountability Office, “Workforce Investment Act: Strategies Needed to Improve Certain Training Outcome Data,” January 31, 2014: <https://www.gao.gov/products/gao-14-137>



### Recommendations for Creating a Gold Standard Eligible Training Provider List

The following policy recommendations would better connect individuals with high-quality workforce development and educational opportunities that meet current workforce demands while scaling the most effective models for high-quality skills development for more Americans:

- **Improve Transparency of Program Outcomes.** To address the lack of information on provider lists, as noted above, Congress should work with the U.S. Department of Labor to determine what barriers exist in statute, regulation, and practice when collecting and publishing data to ensure at least a baseline of every eligible program's outcomes are made public. This baseline of outcomes should focus, at a minimum, on completion rates, expected earnings, and pass rates for industry-recognized credential attainment.
- **Streamline and Improve Process for Providers to Deliver Consistent and Reliable Performance Data.** Consistent and reliable reporting is essential for participants to make apples-to-apples comparisons when choosing what is the right program to enroll in and has the best return for such investments. Yet, accessing such data by program providers is costly, challenging, and often subjective. Federal, state, and local governments should facilitate access to centralized tools to assist providers in obtaining accurate outcomes data. This will reduce biases in reporting metrics, improve transparency for participants to choose high-quality providers, and improve resource allocation to target programs that generate results.
- **Accelerate Access to Best-in-Class Programs.** Best-in-class programs are those that consistently meet and surpass their performance targets or have strong employer partnerships that lead to full time employment. Accelerating access for participants into these types of programs ensures learners obtain a high-quality and relevant education. Such programs which operate in multiple states should be easily accessible to participants everywhere. To do this, states should be encouraged to work collectively to streamline the application process for these providers and should also prioritize those best-in-class programs that are employer-sponsored, particularly those where employers have financial skin-in-the game, provide on-the-job work experience, or commit to providing program completers an opportunity for employment.
- **Cultivate Innovation.** According to a recent Lightcast report, "an analysis of 15 million job postings found the skills requested in the average U.S. job have changed 37% since 2016."<sup>9</sup> WIOA should take care to support and grow new and innovative models in an effort to better meet these changes. States should create probationary eligibility pathways that allow for innovation and experimentation of new programs and providers which are able to keep up with the pace of change. Without the opportunity for new ways of addressing these gaps, the system will become increasingly irrelevant and not aligned with the ever-changing needs of employers.

<sup>9</sup> Bittle, Scott. Lightcast, "Shifting Skills, Moving Targets, and Remaking the Workforce," May 22, 2022: <https://lightcast.io/resources/blog/new-report-measures-blazing-pace-of-skill-change>

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- **Allow for Flexible Models of Delivery.** A large swath of today's learners are part of a diverse group of individuals who share one thing in common: they are often excluded in traditional program design, which ties learning to time and place. There remains ambiguity under the current law around online and hybrid models of workforce development. Congress should affirm multiple modalities of skills development programs as long as they continue to meet the common set of outcomes metrics required of all programs.
- **Better Coordinate the Braiding of Federal and State Resources.** Congress should make it easier for One-Stop Centers to help support individuals. Center staff should have greater ability to combine and braid programs to create funding packages between Pell Grants, WIOA Individual Training Accounts, and other federal education and workforce development programs that allow for more flexibility in covering the cost of workforce development programs. This should also include increasing coordination between financial aid officers and WIOA caseworkers for eligible students.

### Conclusion

Today, millions of Americans are in need of skills upgrading to keep pace with industry needs and obtain family-sustaining careers. They want to know the time they spend on learning a new skill will lead to a strong economic return. The best way to make that connection and to ensure that result is to re-envision a workforce development system that strives to strengthen the employer role and improves access to high-quality education providers and programs. As members of the Subcommittee begin to dive deep into the reauthorization of WIOA, I urge you to take a more demand-led approach. These systems must keep pace with industry and with innovation, otherwise we risk further widening the wealth gap in our society and contributing to a less competitive position in the global marketplace.

Chairman OWENS. Thank you Ms. Conrad-Bradshaw. I would like to now recognize Mr. Beasley.

**STATEMENT OF MR. RICK BEASLEY, EXECUTIVE DIRECTOR,  
SOUTH FLORIDA WORKFORCE INVESTMENT BOARD (SFWIB),  
MIAMI, FLORIDA**

Mr. BEASLEY. Chairman Owens, Ranking Member Ms. Wilson, and distinguished members of the Subcommittee. My name is Roger Beasley. I have the distinct pleasure to serve as the Executive Director of the South Florida Workforce Investment Board, and better known as Career Source South Florida.

We are the local workforce investment board that serves the residents and businesses in MiamiDade and Monroe County. I commend the Subcommittee and the House leadership for making continuous transformation of our workforce development system into one that increasingly is flexible, responsive and innovative, and is a leading priority for this Committee.

The talent supply challenges confronting our Nation at home, and global competition abroad, requires that we leverage and maximize resources to ensure effective and efficient use of a public workforce investment that addresses talent needs of employers today and tomorrow, by bolstering growth and sustainability of jobs in our economy.

As Congress considers reauthorization of the Workforce and Innovation Act, it is my honor to highlight specific programmatic and administrative areas that offer guidance to support Congress in fulfilling its mission to increase opportunities, enhance accountability, and reduce administrative waste and improve outcomes for our Nation's public workforce system.

As the largest workforce investment board in the State of Florida, Career Source South Florida has implemented a number of initiatives that expand employment training services to job seekers by increasing economic mobility, implementing recruitment and retention tools to address talent supply shortage challenges that face our business community, and design and launch on time, real time tools that evaluate the performance outcomes, and also evaluate Federal compliance requirements.

In my written testimony, you will find more information on how we have focused on these critical areas to enhance outcomes and connect South Floridians to meaningful and training opportunities, as well as help employers find talent that they need to compete and thrive.

As an experienced workforce leader in workforce development, it has been my privilege to work not only in Florida, but also Missouri for the more than 24 years. I think there are some clear areas and opportunities to continue to improve our workforce system on the State, local and Federal levels.

I appreciate this opportunity to highlight three areas that I want to concentrate on. First, in reauthorizing WIOA, Congress should authorize the Secretary of Labor to utilize opportunity zones to eliminate barriers to determine WIOA eligibility. As you all know, opportunity zones have been designated as economic areas that are based on past census data.

Some opportunity zones are in low-income neighborhoods and cities, while others on rural areas, that geographically are far from large concentrations of jobs and resources. Potential WIOA participants who live in opportunity zones, should automatically qualify for WIOA services.

The new eligibility standard would allow workforce development boards to expand services in underserved communities, eliminate eligibility barriers for job seekers, and reduce administrative paperwork. In an effort to increase participants and obtain training services, Congress may establish individual training accounts, training goals, for the use of WIOA funding.

Based on economic conditions of a local workforce area, states should eliminate—I am sorry, states should implement individual training account goals, and these goals would establish percentages of how WIOA funding could be targeted for training services.

Rest assured, the definition of reliable training activities should include classroom training, on the job training, apprenticeship models, customized training and incumbent worker training as well as program costs that support participants while they are in training, like case management, support services and facility costs.

Finally, to address financial barriers to economic mobility, Congress should promote the expansion of WIOA support services to address issues regarding the benefits cliff.

Careers of South Florida provides support services to participants to aid them in increasing economic self-sufficiency through WIOA services, and then by adding emphasis on adding benefits.

Excuse me, on adding emphasis on addressing benefits cliffs, we help mitigate the loss of public benefits for participants who are gaining new skills to qualify for better paying jobs, but who are at risk of losing those safety net benefits that remain essential on their path to self-sufficiency.

As I conclude, I applaud this Committee's effort, and commitment to hold hearings such as the one this morning, to shine and highlight opportunities to improve our Nation's public workforce system.

I look forward to the question and answer section, which allows us a great opportunity to discuss actions and other actions of Congress, and other workforce partners, that we take to improve our public workforce system.

Chairman Owens, this concludes my remarks. I want to thank you for the opportunity to testify before this Subcommittee on the issue that is very vibrant and important for the American innovation and commerce. When appropriate, I welcome the questions from you and the Committee as well, thank you.

[The Statement of Mr. Beasley follows:]



Written Testimony of Roderick “Rick” Beasley

Executive Director

South Florida Workforce Investment Board

d/b/a CareerSource South Florida

U.S. House of Representatives

Education and Workforce Committee

Subcommittee on Higher Education and Workforce Development

September 20, 2023

Chairman Owens, Ranking Member Wilson, and distinguished members of this Subcommittee: My name is Rick Beasley and I have the distinct privilege to serve as the Executive Director of the South Florida Workforce Investment Board d/b/a CareerSource South Florida. We are the Regional Workforce Board that serves the residents and business community of Miami-Dade and Monroe Counties.

As Congress considers the reauthorization of the Workforce Innovation and Opportunity Act (WIOA), it is my honor to highlight key specific programmatic and administrative areas to support Congress in fulfilling its mission to increase opportunities, enhance accountability, reduce administrative waste and improve outcomes across the public workforce system.

As the largest local workforce development board in the state of Florida, CareerSource South Florida has implemented programmatic and administrative initiatives to expand employment and training services, improve performance outcomes and enhance administrative accountability. The following are some of the initiatives implemented to strengthen to the local workforce service delivery system:

- **Support Services Expansion** – CareerSource South Florida provides support services to participants to aid them in reaching economic self-sufficiency through the WIOA career and training services. The cost of living has surpassed the support limits that were previously set to assist individuals participating in Workforce Innovation and Opportunity Act career and training services. Based on the United Way Asset Limited, Income Constrained, Employed report, CareerSource South Florida increased the current limits of support services and incentives to help meet the economic demands.
- **Access Points & Mobile Assistance Centers** – Meeting the needs of job seekers and strengthening relationships with other community organizations is an integral part of our strategic plan. CareerSource South Florida initiated the creation of Access Points to increase access to our services and to engage Faith-Based and Community-Based Organizations as committed and active partners in the workforce development system. Additionally, CareerSource South Florida operates five Mobile Workforce Assistance Centers. These Mobile Centers are equipped with technological resources that include: 13 communication computer workstations with satellite internet connection, an interactive SMART board for instructional purposes, and a state-of-the-art audio-visual system.
- **Digital Access and Broadband** – CareerSource South Florida has launched three TechHire Centers and TechHire boot camps to offer digital access and IT training to targeted communities and populations within Miami-Dade County. In partnership with Big Brothers Big Sisters of Miami, CareerSource South Florida has opened a TechHire center focused on at-risk youth. A second center was launched in partnership with the Opa-Locka Community Development Center to expand digital access and focus on offering technology to the underrepresented community of the City of Opa-Locka. The third center was launched in partnership with the YWCA of Miami to increase the number of women entering into technology occupations. In addition, CareerSource South Florida has launched an annual

TechHire Boot Camp targeting youth to offer IT training in network administration, gaming, web-development, computer programming and cyber security.

- **Pre-Apprenticeship / Apprenticeships** – CareerSource South Florida is committed to promoting Registered Apprenticeship (RA) opportunities as a career pathway for job seekers. CareerSource South Florida works with the Florida Department of Education Division of Career and Adult Education to assist in the expansion of existing or development of new apprenticeship programs based on employer demand in the region. Apprenticeship programs are promoted to employers as a solution to the challenges of finding workers with the skills required to fill essential positions. Working to increase the prosperity of workers and employers, CareerSource South Florida continues to invest in registered apprenticeship programs.
  - **Miami-Dade County Public Schools Pre-Apprenticeship Program** – CareerSource South Florida approved the development of the Miami-Dade Youth Pre-Apprenticeship Career and Technical Training Program. The pre-apprenticeship training is a 23-month specialized program that targets WIOA eligible Miami-Dade County Public Schools 11th and 12th grade students. The training also includes a Paid Summer Internship that provides 150 hours of paid work experience in the construction field. The program is designed to fill the employment gap by exposing students to the various trades.
  - **Bean Automotive Apprenticeship** - A Miami Dade College Apprenticeship Program, the Bean Automotive Group Apprenticeship blends classroom instruction and on-the-job training (OJT) to successfully prepare participants to become Automotive Technician Specialists. CareerSource South Florida and Miami Community Ventures were key partners in this program providing 220-clock hour training at the Bean Automotive Group West Kendall location. Upon program completion, apprentices will have earned an Apprenticeship Certificate of Completion.
- **Layoff Aversion Fund** - In order to support small business employers and Community-Base Organizations (CBOs) facing financial impacts and potential layoffs from the Coronavirus (COVID-19) pandemic, CareerSource South Florida established the COVID-19 Layoff Aversion Fund. The fund provided grants to small business employers and CBOs experiencing economic stresses in order to prevent potential layoffs or to minimize the duration of unemployment resulting from layoffs due COVID-19.
- **On-Line Performance Indicator Tool** – The innovative and locally developed Performance Indicator Tool assists CareerSource South Florida and American Job Center (AJC) staff in monitoring WIOA Performance in real time for the entire Local Workforce Development Area. The tool affords AJC staff the ability to see which cases have exited the system, with or without employment, using information generated from various employment data sources. The Performance Indicator Tool allows AJC staff to ensure all follow ups required by WIOA

have been conducted as the tool will identify cases with incomplete employment data per quarter.

- **CareerSource South Florida Automated Monitoring Tool (AMT)** – The AMT was developed to meet the CareerSource South Florida’s strategic goal to strengthen the One-Stop delivery system. The automated tool is designed using the Florida Department of Commerce’s programmatic monitoring tool for each workforce program. Federal law requires the state to monitor all workforce programs receiving federal funds. The purpose of the monitoring is to periodically assess and evaluate whether the Local Workforce Development Boards are complying with federal and state laws, regulations, and administrative policies in administering publicly funded workforce programs.

The AMT evaluates 100 percent of program data elements of allocated funding to allow the user to see a snapshot of each program’s caseload and corresponding error rates. Furthermore, the tool allows the user to review existing errors in specific cases and correct them, thus lowering the error rate. Finally, the tool provides a variety of reports to assist the users in determining trends and evaluating performance.

The submission of this written testimony proffers best and promising practices to serve as a foundation for recommendations to address challenges to increase access to services in our public workforce system. I have identified the following areas for consideration to enhance services.

1. **Reduction of Eligibility Barriers** – In reauthorizing WIOA, Congress should authorize the Secretary of Labor to utilize Opportunity Zones to further determine WIOA eligibility. Opportunity Zones are areas that have been designated “economically underserved” based on past census data. Some opportunity zones are low-income neighborhoods in cities. Others are rural areas that are geographically far away from larger concentrations of jobs and resources. Potential WIOA participants living in an Opportunity Zone should automatically qualify for WIOA services. The new eligibility standard would allow local workforce development boards to expand services to under-served communities, eliminate eligibility barriers to job seekers and reduce administrative paper work.
2. **Individual Training Account / Training Goals** – In an effort to increase participants obtaining training services, Congress may establish an Individual Training Account / Training Goals for WIOA funding. Based on the economic conditions of a Local Workforce Development Areas, States could implement Individual Training Account / Training goal for a Local Workforce Development Areas. The Individual Training Account / Training Goals will establish a percentage of the WIOA funding targeted for training services. The definition of allowable Individual Training Account / Training should be inclusive of classroom training, On-the-Job Training, Apprenticeships, Customize Training, Incumbent Worker Training and Program Cost supporting Individual Training Account / Training participants (i.e., case management, support services, facility cost, etc.).

3. **Promotion of Support Service** – WIOA supportive services are services that are necessary to enable an individual to participate in activities authorized under WIOA section 134(c)(2) and (3). To address the financial barriers to economic mobility, the expansion of WIOA support services could address issues regarding the benefits cliff. The service may include, but should not be limited to the following services:

- Assistance with transportation
- Assistance with child care and dependent care
- Housing and needs-related payments

As I conclude, I applaud the Subcommittee's efforts and commitment to hold hearings such as this one to shine a light on the opportunities to improve our public workforce system. I look forward to the question-and-answer session at which time we will have a greater opportunity to discuss actions Congress and other workforce partners and stakeholders must take to drastically improve the level of skill development across the country and the public workforce system's outcomes.

I welcome the opportunity to provide technical assistance to Congress on these legislative issues. Thank you for your commitment to building a "stronger workforce system by listening to the needs of job creators, delivering upskilling opportunities to workers, and holding skills education programs accountable for their performance." I am happy to answer any questions you may have.

Chairman OWENS. Thank you Mr. Beasley. I would like to now recognize Mr. Bishop.

**STATEMENT OF MR. MASON BISHOP, NONRESIDENT FELLOW,  
AMERICAN ENTERPRISE INSTITUTE, WASHINGTON, D.C.**

Mr. BISHOP. Chairman Owens, Ranking Member Wilson, and members of the Subcommittee. Thank you for the opportunity to provide testimony on improvements Congress can make to the Workforce Innovation and Opportunity Act.

Early in my career I supported Governor Mike Leavitt in negotiating and implementing the legislation that created the Utah Department of Workforce Services, which still stands today as the most integrated public workforce system in the country.

From 2001 to 2007, I served as Principal Deputy Assistant Secretary for Employment and Training during the George W. Bush administration, where one of my responsibilities was developing policies and improvements to the Workforce Investment Act, the predecessor to WIOA.

I then had the opportunity to go back to Utah and serve as Vice President for Institutional Advancement at Salt Lake Community College, and since 2012 I have been a full-time consultant. As part of my work, I see the challenges faced by communities and families, seeking to improve economic conditions.

The bureaucratic hurdles faced by workforce development and education staff trying to address the reskilling, or upskilling of workers, and the unnecessary complexities of a myriad of Federal workforce and education programs. My testimony today provides an outline of specific principles and opportunities to improve WIOA, to meet our shared goals of upward mobility, labor force attachment, and high wages, and business growth through a skilled and productive workforce.

As part of my AEI work, I have issued a landscape study report that documented the five decade history of Federal involvement of funding employment and education programs. As Congress has sought to address particular workforce and educational challenges over the decades, it is layered program upon program across multiple Federal agencies, often with the very strict rules as to both who gets served, and more importantly, how they get served.

This approach has led us to where we are today, a continual acknowledgement and frustration that we are still not as efficient and effective as we must be to bolster a skilled workforce in the face of both domestic and global economic challenges. WIOA reauthorization is an important step toward improving this programming, and if we address three issues.

No. 1, excuse me, while workforce service delivery is regional, Federal efforts to define roles for State and local jurisdictions that serve proprietors has led to unmanageable complexity. I often hear people say that workforce development is local, but that's true in a very limited sense.

Starting with CEDTA in the 1970's, the Federal Government provided a direct linkage and relationship to local communities, and that linkage remains today through WIOA Title I. However, I point out that all the other program partners, other than WIOA Title I, are delivered based upon what Governors and states decide, including title II adult education, Title III Wagner-Peyser Employment Services, and Title IV vocational rehabilitation.

Perhaps the most egregious example of Federal overreach in defining roles and responsibilities, is what Mr. Sanders already talked about, the State merit staffing requirement, where under Wagner-Peyser Employment Services, State employees are mandated to provide employment services, while WIOA Title I, the same exact services are being provided by local employees. That is unmanageable.

No. 2, WIOA creates a governance structure that is too prescriptive, and defines a single model and service delivery structure for the entire country. Under WIOA we have the one stop system, and while the idea of a one stop service delivery system is important in theory and practice, narrowly defining how the system should work across diverse communities, and regional economies, incentivizes work arounds and stakeholders, meeting basic and minimal requirements without shared ownership of such one stop system.

Third, WIOA lacks tools and incentives for innovation and performance improvements. Since COVID, I have been contacted by numerous states wanting to understand the Utah model, and how they can implement it. One state's workforce leadership told me their Governor challenged him to be best in class, so they conducted research into what is working.

What they found was Utah performed best across the several factors that they developed for measuring best in class. However, and I emphasize this, current WIOA law prohibits states from implementing the Utah model, arguably the best model we have in this country.

This is due to two factors. Starting with WIOA, prescriptive requirements have been legislative that do not comport to the key

features of what we implemented in Utah. No. 2, WIOA lacks provisions that allow states to pilot alternative approaches, or demonstrate improved performance through innovative ideas and service delivery designs.

In my testimony I give areas of the Utah Model that are specific and can answer questions, but I do want to end with three things that I promote in my testimony. No. 1 is I believe Congress should create an innovation demonstration authority in legislation to allow states to innovate, and provide good flexibility and ideas from the ground up.

No. 2, I believe we ought to allow for Federal funding flexibility to promote efficient use of resources and integration of related services across programs. No. 3, and I give many examples, where we need to restructure WIOA to promote modernized program governance, and performance-based service delivery.

I will end by saying that I often like to say that we are trying to operate in a mindful economy with programs that were created and modeled from the New Deal and great society, and they continue to do so. We must modernize this program and provide the governance and service delivery, improvements and flexibility that will allow innovation and new ideas. Thank you.

[The Statement of Mr. Bishop follows:]



Statement before the House Committee on Education and the  
Workforce  
Subcommittee on Higher Education and Workforce  
Development  
On Strengthening WIOA: Improving Outcomes for Jobseekers,  
Employers, and Taxpayers

## **Spurring Innovation in Workforce Development: Program Governance and Service Delivery**

**Mason M. Bishop**  
Nonresident Fellow, American Enterprise Institute

September 20, 2023

The American Enterprise Institute (AEI) is a nonpartisan, nonprofit, 501(c)(3) educational organization and does not take institutional positions on any issues. The views expressed in this testimony are those of the author.



Chairman Owens, Ranking Member Wilson, and Members of the Subcommittee, thank you for the opportunity to present testimony on improvements Congress can make to the Workforce Innovation and Opportunity Act (WIOA). Early in my career, I supported Governor Mike Leavitt in negotiating and implementing the legislation that created the Utah Department of Workforce Services, which still stands today as the most integrated public workforce system in the country. From 2001-2007, I served as Principal Deputy Assistant Secretary for Employment and Training during the George W. Bush administration where one of my responsibilities was developing policies and improvements to the Workforce Investment Act (WIA), the predecessor to WIOA. I then had the opportunity to go back to Utah and serve as Vice President for Institutional Advancement at Salt Lake Community College, and since 2012, I have been a full time consultant working with community colleges, workforce systems, and others throughout the United States.

My background and experience grounds my views on how WIOA can and should be improved to better serve employers, workers, and job seekers. I witness continually, using a ground-level view, the challenges faced by communities and families seeking to improve economic conditions, the bureaucratic hurdles faced by workforce development and education staff trying to address the reskilling or upskilling of workers, and the unnecessary complexities of the myriad of federal workforce and education programs.

My testimony today provides an outline of specific principles and opportunities to improve WIOA to meet our shared goals of upward mobility, labor force attachment and high wages, and business growth through a skilled and productive workforce. With an understanding and commitment to a shared vision for WIOA improvements, I believe Congress can make significant strides that will better opportunities for our communities and its residents.

### **Current Challenges of the Workforce Innovation and Opportunity Act**

In my AEI workforce landscape study report issued in 2020,<sup>1</sup> I documented the five-decade history of federal involvement in funding employment and education programs and several of the inherent conflicts and challenges that have resulted from these efforts. In short, as Congress has sought to address particular workforce and educational challenges over the decades, it has layered program upon program across multiple federal agencies, often with very strict rules as to both WHO gets served, and, more importantly, HOW they get served. This approach has led us to where we are today—a continual acknowledgement and frustration that we are still not as efficient and effective as we must be to bolster a skilled workforce in the face of both domestic and global economic challenges. WIOA reauthorization is an important step toward improving our workforce and education programming if we address the following three issues:

**(1) While workforce service delivery is regional, federal efforts to define roles for state and local jurisdictions and service providers has led to unmanageable complexity.** I often hear people say that “Workforce development is local.” but that is true in a very limited sense. The WIOA legislation is rooted back to the 1970’s Comprehensive Employment and Training Act (CETA) and its successor statutes, the 1982 Job Training Partnership Act (JTPA) and the 1998 Workforce Investment Act (WIA). Starting with CETA and continuing until WIOA, the federal government created a funding link to local jurisdictions to provide employment and education services.

However, that link is only present in the WIOA title I programs where a majority of the Adult, Dislocated Worker, and Youth funding must be provided by states to local workforce development areas. All other programs identified in WIOA as “partners” are delivered based

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<sup>1</sup> Mason M. Bishop, *Landscape Study of Federal Employment and Training Programs*, American Enterprise Institute, January 28, 2020, <https://www.aei.org/research-products/report/landscape-study-of-federal-employment-and-training-programs/>

upon what governors and states decide, including WIOA title II adult education, WIOA title III Wagner-Peyser employment service, and WIOA title IV vocational rehabilitation services. Perhaps the most egregious example of federal overreach in defining roles and responsibilities is the Wagner-Peyser employment service program, where those employment services must be provided by “state merit staff employees” while the WIOA title I career services are provided by local workforce development employees. The exact same services are mandated by law and regulation to be provided by two different types of government employees.

**(2) WIOA creates a governance structure that is too prescriptive and defines a single model and service delivery architecture for the entire country.** WIOA title I authorizes the Adult, Dislocated Worker, and Youth programs, but it also defines how these, and other employment and education services, are to be coordinated and delivered through the “one-stop system.” While the idea of a one-stop service delivery system is important in theory and practice, narrowly defining how this system should work across diverse communities and regional economies incentivizes ‘work arounds’ and stakeholders meeting basic and minimal requirements without shared ownership over such one-stop system.

A simple example is the WIOA requirement that each local workforce development area maintain a “comprehensive one-stop center”—a physical building where all the partners provide access to services. In a post-COVID environment where different types of access points and virtual services may reach more people, mandating that each local area spend funds on physical infrastructure hampers cost-effective service delivery, particularly when many of the partner programs still maintain their own duplicative physical infrastructure.

The continued prescriptive service delivery architecture causes too much time and effort being spent on compliance with these requirements rather than needed employment and education services for workers and job seekers.

**(3) WIOA lacks tools and incentives for innovation and performance improvements.**

With the prescriptive nature of WIOA impacting program governance and service delivery, states and local service providers alternatively lack tools and opportunities to innovate and build improved performance through the strengths of federalism. Since COVID, I have been contacted by numerous states wanting to understand the “Utah Model” and how they can implement it. One state’s workforce leadership told me their governor challenged them to be ‘best in class,’ so they conducted research into what is working. What they found was Utah performed the best across several factors developed by that state as part of their research.

When people ask me about implementing the Utah Model, the first thing I tell them is the **current WIOA law prohibits states from implementing the Utah Model**. This is due to two factors: (1) starting with WIA, prescriptive requirements have been legislated that do not comport to the key features of what we implemented in Utah, and (2) WIOA lacks provisions that allow states to pilot alternative approaches or demonstrate improved performance through innovative ideas and service delivery designs. With technology and the very nature of jobs rapidly changing, this lack of access to innovation is untenable. It actually incentivizes governors and stakeholders to develop their own alternatives to the one-stop workforce system using economic development and postsecondary education levers, among other options.

**Program Improvements and Solutions**

The Utah Model provides a blueprint for ways that Congress should seek to address the challenges raised above. This blueprint is detailed in an AEI report recently issued<sup>2</sup> and focuses on the following:

1. **Program Governance**. I define program governance as the way programs and services

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<sup>2</sup> Mason M. Bishop, *The Utah Model: Workforce Programs and Services Integration Took Kit*, American Enterprise Institute, July 31, 2023, <https://www.aei.org/research-products/report/the-utah-model-workforce-programs-and-services-integration-tool-kit/>

are organized to effectuate high-performance service delivery. Prior to WIA, when states had more flexibility to design their program governance structures, Utah consolidated agencies and programs into a single, cabinet level Department of Workforce Services. Over time, Utah has continued to consolidate and organize programs in support of enhanced employer and worker employment connections and administers programs such as Temporary Assistance to Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), and subsidized childcare assistance.

Further, Utah is known as a “single state area,” meaning they administer their WIOA title I programs at the state level through DWS while maintaining a regional service delivery structure. Thus, services are still delivered “locally” using state DWS staff, allowing resources to be targeted to areas of the state and populations with emerging or pronounced needs, such as a mass layoff or upskilling initiative as part of a sector partnership. This governance model translates to Utah’s continued strong performance and efficient use of resources on behalf of its communities and residents.

2. **Service Delivery.** The vision of one-stop service delivery through WIOA has not been met. Local workforce development boards are tasked with the key responsibility for brokering the Memorandum of Understanding (MOU) and funding agreements to operationalize one-stop service delivery, but the local boards have neither the authority or direct responsibility for administering and delivering employment and education programs except for WIOA title I programs. As a result, while a one-stop service delivery system exists in theory and name, in almost any community, businesses, workers, and job seekers must use multiple stops to get the services needed, sometimes having to engage with three or more agencies or offices within the same county or town.

Utah has a truly integrated service delivery system where customers can access services

through one location and work with a single or team of employment specialist(s) to receive the services needed. DWS allows for local variation in service delivery while assuring a consistent service expectation occurs throughout the state.

Further, DWS has one case management technology system for all the programs administered, and all available resources can be brought to bear to help someone get reemployed, upskilled, or obtain supportive services to promote labor force attachment. Program silos have been truly eliminated in Utah and a single, statewide workforce system exists with multiple entry points and service options available for residents.

3. **Financial Integration**. The current structure of WIOA promotes bureaucratic processes for braiding and sharing different resources. Under WIOA, the local boards are responsible for working with partners to identify the proportionate use of the workforce system and cost share for each individual program. Annual negotiations around this cost sharing can take months and distracts from the important work of serving customers. If a partner program is not fully invested in participating, typically that program is minimally invested in the local one-stop system.

Utah has a single, statewide cost allocation methodology approved by multiple federal agencies and the Office of Management and Budget (OMB). This statewide methodology relieves the burden of cost sharing from DWS workers and rids the state of annual, multiple localized cost sharing negotiations. Additionally, Utah only deals with one federal agency—the Department of Health and Human Services (HHS)—when amendments to their cost allocation plan are needed. HHS is responsible for working with other impacted federal agencies, alleviating that burden from Utah officials.

Taken together, this financial integration efficiently targets resources to where they are needed most and more holistically supports workers and job seekers with the full array of services available anywhere in the state of Utah.

### **Recommendations**

With multiple economic sectors and industries lacking skilled workers, we have an economic and national security imperative to restructure and improve our workforce and education programs and systems. Congress can unleash innovation and improved performance by fundamentally modernizing the approach to WIOA by recognizing the need for flexibility and adaptability in how states structure and deliver their workforce development and education services. A modern, technology-based economy requires such flexibility and adaptability, which will ultimately benefit employers, workers, and job seekers alike. To this end, below is a summary of recommendations for comprehensively improving WIOA.

- Create an ***Innovation Demonstration Authority*** that allows states to modernize and structure their workforce systems aligned to their populations and economies
  - ✓ Promotes “on the ground” innovation
  - ✓ Addresses the overly prescriptive approach of the current WIOA
  - ✓ Recognizes the unique labor market conditions of states and regional economies
  - ✓ Modeled after successful bipartisan approaches to improving social assistance programs
- Allow for ***Federal Funding Flexibility*** to promote efficient use of resources and integration of related services across programs
  - ✓ Better integrate and authorize funding flexibility across WIOA core programs, particularly titles I and III
  - ✓ Allow governors to “hold back” a portion of local WIOA title I funding for statewide work-based learning and customized education programs in partnership with businesses
  - ✓ Provide a streamlined approval process for innovative cost allocation models

- Restructure WIOA to promote *Modernized Program Governance and Performance-based Service Delivery* by eliminating or modifying outdated and inflexible provisions
  - ✓ Eliminate the prohibition on state single area designation for service delivery
  - ✓ Provide governors with flexibility to realign local workforce development areas by considering administrative efficiencies and demonstrated alignment with economic development and education service regions as criteria
  - ✓ Promote multiple one-stop Access Points by eliminating the requirement that each local workforce development area house a Comprehensive One-Stop Center
  - ✓ Align the workforce development system with community colleges by providing flexible options for local workforce boards to contract for education services and host one-stop centers on community college campuses
  - ✓ Give State Workforce Development Boards more authority and responsibility for certifying one-stop centers and developing arrangements for affiliate centers among state partner programs
  - ✓ Bolster the current Planning Region language to provide clarity and flexibility for state and local partners
  - ✓ Clarify that the state infrastructure funding model can be deployed prior to the local MOU process to allow governors to proactively use this tool
  - ✓ State that community college credit programs and noncredit programs that integrate industry-recognized credentials are de facto Eligible Programs



Chairman OWENS. Thank you Mr. Bishop. Under Committee Rule 9, I will now question witnesses under the 5-minute rule, and I will begin the process. Mr. Bishop, I am proud of the success that Utah has achieved by integrating a workforce services, and I believe that all states should have the same opportunity to pursue Utah's model.

That being said, I know there may be other innovative and effective ways to administer workforce development programs, however the current law, as you just mentioned, does not allow other states to innovate to pursue a better outcome. Can you explain how authorizing a demonstration authority under WIOA might spur innovation at a State and local level?

Mr. BISHOP. Yes. We learned in the 1990's that when we provide states with opportunities for flexibility and demonstration that can lead to better outcomes for individuals who are low income, or needing jobs. What we believe is that we do not know all the answers. Each State is different.

Florida is different than Utah. Florida, for instance, may not want a single State area. They might want to have local workforce boards, for instance. We do not know what each State needs based upon what their constituents are, what their businesses and industries are, and what is happening with this technological economy that is rapidly changing.

What we do know is that we can no longer, in my opinion, have a Federal workforce law that sets the rules of the game for those that are trying to deliver services, and have the same rules across the entire country because our economies and our businesses, and our workers and our communities are so varied and different that we believe let us let states and local communities come up with the ideas that work best for them in return for performance accountability, improving what they can achieve with better outcomes with flexibility.

Chairman OWENS. Thank you. Mr. Sanders, I like a point you made earlier when you said we do not need to collect even more performance related data. We need to focus on data that will be used. In your experience, what data points are most relevant to job seekers and employers?

Mr. SANDERS. Obviously, appreciate the comment about collecting more data for those who use it. We looked at the PERL, you can see how many points of data we collect. I think we need to work with the data we have. I think some of the methodologies to look at collecting data are obviously on earnings outcomes for individuals, even second quarter or fourth quarter out.

Obviously, looking at both for the same individual because individuals could leave and go to another job at that point. I think the harder one is on the employer side, and figuring out a metric that works for employers to get employers engaged, and to make sure that you can demonstrate to them how you can succeed, and them coming to the workforce system to actually fulfill their labor and workforce.

Chairman OWENS. Okay. Thank you. Ms. Conrad-Bradshaw, you mentioned this engaged work with employees on skill to hire programs, and emphasized the importance of promoting employer sponsored programs in the WIOA system. From a student's per-

spective, if they know that a job is waiting for them at the end of their skills education program, what impact does that have on their mindset, and their likelihood to persist and complete the program?

Ms. CONRAD-BRADSHAW. Thank you for your leadership and your question, Chairman Owens. In our work with employers we see that employers having buy in in the system creates a really different experience for learners. There is essentially skin in the game on both sides, to know that learners will have better outcomes when they know that a job, or the potential of a job is available to them after a program.

Employer involvement also ensures that learner focused outcomes are improved, and drive success of the program. At Cengage Group we are innovating these skills to hire and talent pipeline models with employers with high workforce demands, particularly in healthcare, cybersecurity, and other high demand industries, where employers will sponsor the education of learners who through their success are able then to prove their ability to do those jobs, and get hired by those companies where we support the on the job and work based component of this training.

We see them as a very successful model, and I have seen them over my career as well.

Chairman OWENS. Thank you so much for that. Without objection, I would like to submit letters for the record from Workforce Policy Institute, the Society for Human Resource Management, and the National Retail Federation, each of which discussed various ways in which the WIOA system could be strengthened to better meet today's economy.

[The information of Mr. Owens follows:]

September 20, 2023

The Honorable Virginia Foxx  
 Chairwoman  
 U.S. House Education and Workforce Committee  
 2176 Rayburn House Office Building  
 Washington D.C. 20515

The Honorable Bobby Scott  
 Ranking Member  
 U.S. House Education and Workforce Committee  
 2101 Rayburn House Office Building  
 Washington D.C. 20515

Dear Chairwoman Foxx and Ranking Member Scott:

We appreciate the opportunity to submit a statement for the record regarding the Committee's hearing on September 20, 2023, titled *"Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and Taxpayers."* Given that the Workforce Innovation and Opportunity Act (WIOA) is the nation's primary workforce development law and its reauthorization ended in 2020, it is imperative that the law not only be reauthorized but reformed to reflect the continuing labor shortage felt by many industries, widening of the "skills gap," and technological advances in the workplace.

As the workplace rapidly moves toward the future, below are suggested reforms that Congress should consider in reauthorization of WIOA to modernize the workforce development system:

**I. Modernize federal labor market reporting data to leverage AI and advanced technologies to support a skills-based approach to employment.**

Rapid technological advancements, combined with the seismic shift in how employers operate their workplaces in the post-pandemic world, is creating a rapidly changing work environment and ever-evolving workplace policies. The pandemic exacerbated job displacement, which is creating the demand for new ways of working, the need for new skillsets in the workplace, and new approaches to improving workplace policies. To fill vacant positions, many employers are reviewing degree requirements in job postings and utilizing a skills-based approach in hiring, in which a candidate's qualifications are based on the core competencies for the role rather than a specific degree or credential.

A critical first step toward leveraging AI and advanced technologies to support a skills-based approach to employment is the modernization of federal labor market reporting data that is both accurate and accessible in real-time to job seekers and employers. As such, the need for enhanced, granular data is critical to understanding the complex dynamics of the U.S. labor market to identify economy-wide trends in emerging roles and industries, along with the skills needed for in-demand jobs. Additionally, this information is essential for lawmakers, employers, educators, and others to make informed decisions, guide resource allocation, and achieve better employment outcomes.

Littler WPI has worked over the last two years to develop a comprehensive federal legislative proposal that would achieve this goal by a) establishing a competitive grant program for states to innovate and improve their own labor market information strategies, including mapping of emerging jobs and labor trends, that would be available to employers, workforce agencies, and all other stakeholders; b) amend WIOA, as more detailed below, to establish a new "rapid response initiative" to cultivate alignment among federal agencies regarding workforce data tied to occupations most in demand pursuant to recent massive federal investments into infrastructure (broadband, transportation, etc.) and semiconductors; c) amend WIOA to establish a Congressional Commission on modernizing the nation's labor market information system to ensure congressional leaders play a role to further improve workforce data; and d) amend the Social Security Act to require states to collect enhanced wage information tied to Federal Unemployment Compensation requirements.

**II. *Enhance support and funding structures for state and local-led reskilling and upskilling efforts.***

Rather than expanding federal control over the workforce system, the role of states and local communities must be elevated. A significant share of WIOA funding flowing to the states should be dedicated to upskilling the workforce, including through individual training accounts and employer-designed customized training programs. States and localities must engage and survey employers across all industries to ascertain the skills needed for the most in-demand jobs, as well as identify the training providers to teach these skills. To leverage WIOA dollars further, localities must also have flexibility to collaborate regionally to pool funding with other jurisdictions in the creation and delivery of skills development. Additionally, states must be empowered with more flexibility to address the current labor shortage and economic constraints that are unique to their situation by increasing the discretionary dollars that governors can reserve for innovative initiatives.

**III. *Shift WIOA funding away from wasteful federal bureaucracy.***

A common complaint by states and those who administer WIOA programs are the bureaucratic hurdles. Given the current labor shortage and widening of the "skills gap," barriers to training and employment should be decreased. Additional layers of bureaucracy will not close the skills gap, nor will they entice employers to engage with the public workforce system. Funding should be focused on reskilling and upskilling more workers to meet employer demands.

WIOA reauthorization should focus on empowering and equipping Local Workforce Development Areas (LWDAs) to meet the needs of their communities with which they are best acquainted. For example, the required 75-25% expenditure split for out-of-school and in-school youth, respectively, is a prime example of "one size doesn't fit all." While the out-of-school youth population may be large in some areas, this population may not be sizeable in others, such as in rural communities. This disparity is a prime example of local areas knowing best about the needs of the youth in their communities. In some communities the focus is to catch the at-risk young people before they drop out of school. Congress should reevaluate the division of youth funds and consider leaving the appropriate distribution to the discretion of the local boards.

Additionally, there should be a dedicated funding stream for local workforce boards to provide business services as required under current law. It is often the case that when an LWDA has an effective Business Services team, which offers invaluable skills and expertise to its local employers, those employers want (and expect) even more services. Under current law, however, boards must use funding that is desperately needed to recruit, train, and continue to upskill the future workforce to satisfy the business services requirement. Congress should consider amending this portion to give the business services funding stream enhanced flexibility so that local areas are not forced to make the unconscionable decision to cut services to individuals in order to serve local employers.

Lastly, there must be a requirement that states provide an equal emphasis on services and compliance. Tragically, the federal bureaucracy has encouraged many states to focus almost entirely on compliance to the detriment of quality of service. It is reported that all too often auditors are more interested in compliance and checking all the requisite boxes than they are on capturing the full narrative of worker retraining efforts including successes, obstacles, or availability of support services, among other factors.

WIOA reauthorization must be enabling and empowering rather than becoming even more of a bureaucratic nightmare for those who administer these programs and for those individuals who are seeking to better themselves through employment opportunities.

We appreciate your leadership and the Committee's important work to support the U.S. workforce by making necessary and impactful reforms through WIOA reauthorization. Thank you for consideration of our comments.

Respectfully submitted,

  
Shannon L. Meade  
Executive Director



September 20, 2023

Subcommittee on Higher Education and Workforce Development.  
U.S. House Committee on Education and the Workforce  
Chairman Burgess Owens  
2176 Rayburn House Office Building  
Washington, D.C. 20515

Subcommittee on Higher Education and Workforce Development.  
U.S. House Committee on Education and the Workforce  
Ranking Member Frederica S. Wilson  
2080 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Owens and Ranking Member Wilson:

On behalf of SHRM and our more than 325,000 members, I write to thank you for continuing bipartisan efforts to reauthorize the Workforce Innovation and Opportunity Act (WIOA). Today's hearing, along with several recent hearings focused on WIOA, clearly demonstrate your commitment to listening to a broad range of stakeholders about what can and must be done to modernize WIOA to meet the needs of today's labor market, expand career opportunities to more job seekers and improve access to untapped talent pools.

***We strongly encourage Congress to continue to work in a bipartisan manner to reauthorize this crucial legislation.*** As you reflect on what you will hear today from the hearing's witnesses and your colleagues, and as you continue efforts to develop a bipartisan bill to reauthorize WIOA, we ask that you keep the following SHRM priorities top of mind. We ask you to:

1. Clarify the ability for state and local boards to use funds to support external credentialing organizations to create and validate skills tests used to earn credentials by individuals participating in workforce development programs supported under WIOA.
2. Support the transparency of all credentials funded under the Act, so that participants and employers are aware of the extent to which specific credentials/certifications involve rigorous tests that can validate the skills an individual has gained in obtaining a specific credential. We also ask you to ensure such information is embedded in the material included as part of Eligible Training Provider Lists (ETPL) developed by Governors under WIOA;
3. Clarify that the required use of WIOA funds to support "business services" to employers may include those services tailored to specific employers such as "human resource

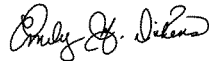
consultation services, including but not limited to assistance with writing/reviewing job descriptions and employee handbooks.”; and

4. Explore opportunities to provide flexibility and support to employers seeking to provide more “on-the-job” training in fields and industries not currently served by existing structures.

SHRM has served as the voice of work, workers and workplaces for our members and the 115 million workers they support over the last 75 years. We have long championed workforce development policies that support workplace success, and we will continue that effort for the next 75 years.

Thank you again for holding today’s hearing to discuss improvements to WIOA. SHRM stands ready to support the subcommittee, the larger Education & Workforce Committee and Congress in any way that we can.

Sincerely,



Emily M. Dickens  
*Chief of Staff, Head of Government Affairs  
 & Corporate Secretary*

cc: Chairwoman Virginia Foxx, Committee on Education and the Workforce  
 Ranking Member Bobby Scott, Committee on Education and the Workforce  
 The Honorable Kevin McCarthy, Speaker of the House  
 The Honorable Hakeem Jeffries, Minority Leader  
 The Honorable Chuck Schumer, Senate Majority Leader,  
 The Honorable Mitch McConnell, Senate Minority Leader



September 26, 2023

The Honorable Burgess Owens  
Chair  
Subcommittee on Higher Education and Workforce Development  
House Education and the Workforce Committee  
2176 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Owens:

On behalf of the National Retail Federation (NRF), I write to thank you for calling today's hearing titled, "Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and Taxpayers." Since the passage of the Workforce Innovation and Opportunity Act (WIOA) in 2014, the workforce and the overall economy have seen dramatic structural changes. NRF applauds the Committee for its work in finding ways of modernizing the law and urges you to consider revisions that increase opportunity for job seekers at all skill levels.

The National Retail Federation passionately advocates for the people, brands, policies and ideas that help retail succeed. From its headquarters in Washington, D.C., NRF empowers the industry that powers the economy. Retail is the nation's largest private-sector employer, contributing \$3.9 trillion to annual GDP and supporting one in four U.S. jobs — 52 million working Americans. For over a century, NRF has been a voice for every retailer and every retail job, educating, inspiring and communicating the powerful impact retail has on local communities and global economies.

Almost a decade has passed since President Obama signed WIOA into law. Congress should now find meaningful ways to improve WIOA and assist employers in filling job openings with qualified workers. WIOA reforms must ensure that workforce centers provide training programs that teach the jobseeker the skills needed to secure and thrive. As such, NRF suggests that the Committee consider language that fosters the opportunity for job seekers to obtain industry recognized credentials that teach basic, foundational skills. Not every person wants or is ready for a full-time, salaried role and our workforce system should have the flexibility to accommodate jobseekers looking for their first job.

Furthermore, Congress should consider revisions to WIOA to provide adequate funding for job seekers to pursue "micro credentials." Such credentials are earned over days, not years, and allow job seekers to demonstrate they possess specific skills that are required for securing a

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job or a promotion. Examples include credentials conveying competence in customer service, sales, and conflict de-escalation.

Similarly, the Committee should consider language embracing asynchronous educational programs that allow learners to access training programs anywhere at any time. Such programs do not require or depend on classroom settings and may be helpful to those Americans who struggle to access training centers due to lack of transportation options or childcare responsibilities.

Again, NRF looks forward to working with you as you modernize WOIA. Thank you for your attention to this issue.

Sincerely,



David French  
Senior Vice President  
Government Relations

Chairman OWENS. I would now like to recognize the Ranking Member for the purpose of questioning the witnesses. Mr. Scott.

Mr. SCOTT. Thank you, Mr. Chairman. Mr. Beasley, we know that these programs help the individual taking advantage of the program. Can you say a word about how these programs benefit the economy generally?

Mr. BEASLEY. Thank you for the question, Representative Scott. Let me share with you as a workforce leader that provides services in South Florida, our programs are designed specifically to help our employers find talent. We have a role, a model in our region, the only customer that we have is the employer, and our job seekers.

Our role really is to rescale, retool that job seeker to align the skills to meet the needs of the employer. Often times we look at workforce development as a social service program, and truly it is not. It is economic development. If we can drive talent it helps grow that company, so that they can grow their business.

Mr. SCOTT. Thank you. Typically how much do these programs cost?

Mr. BEASLEY. In our programs we, last year, we invested over 39 million dollars in our community. We placed over 7,000 folks, and we have a cost replacement roughly about \$3,300.00. We generate over 360 million dollars back into the community in South Bay.

Mr. SCOTT. Now we know we have seen studies that showed many families cannot come up with \$400.00. If the workers had a way to pay for these programs, could you provide more training? We are considering, for example, the use of Pell Grants for job training programs.

Mr. BEASLEY. In the workforce system, there is something of a combination of how we leverage resources. The opportunity for us to provide these dollars, again these are our community's dollars,

the public servants. We are here to ensure that they are able to have access to these programs.

The general public has already paid for them through their tax dollars. Our role is to be able to assist them and be able to afford them the chance to get retrained, reskilled, and then connect them to jobs.

Mr. SCOTT. If they had access to a Pell Grant they would be able to—you would be able to train a lot more people in your program. Is that right?

Mr. BEASLEY. Well, if they have access to the Pell Grant, there is a way for us to leverage those resources. If Pell paid the training first, we could then use those dollars to support services to enhance that individual to complete their program.

Mr. SCOTT. Can you say a word about how important support services, some call them wraparound service is?

Mr. BEASLEY. Support services are very vital, and as you all know in this economy most working families are having difficulties making ends meet. By utilizing support services, it enables that individual to essentially complete the program, but also it provides a safety net to allow them to reskill, retool themselves to acquire additional jobs that pay more, but it also helps them to be able to become self-sufficient, so they are very vital to the success of the individual completing.

Mr. SCOTT. Thank you. How can we enhance youth opportunities, particularly summer jobs?

Mr. BEASLEY. Well one, Congressman, it would be great to have additional resources, but more importantly, the flexibility in our regulations allowing the expansion, as I mentioned before, that any individual who lives in an opportunity zone to become income eligible.

It allows us, as workforce board leaders, to target those underserved populations, and offer them an opportunity to get training. It would be more flexibility in terms of affording us to have summer employment programs that enable us to provide additional work based learning for those youth.

Mr. SCOTT. How can we expand those opportunities?

Mr. BEASLEY. How can we expand opportunities? Through legislation, giving us the flexibility again, as I mentioned, it is not just the resources. It is the flexibility to be able to target those individuals, and not having barriers because of income and eligibility guidelines that prevent us from really working with those youth that really need it, particularly those who are ex-offenders, youth offenders, of those who are teen parents.

Allow us the ability to be able to work with them and use our resources to help them.

Mr. SCOTT. You mentioned offenders. What can we do for second chance opportunities, justice involved individuals, those returning from prison?

Mr. BEASLEY. Well in our region we target individuals. If you look at our data, Representative, 30 percent of my outcomes are individuals who are ex-offenders. I can tell you 35 percent of our positive outcomes are individuals who are welfare recipients. About 50 percent of the individuals in total are individuals who have a high school diploma or less.

Mr. SCOTT. How successful are you if they can get a job they are much less likely to go back to prison?

Mr. BEASLEY. I have not calculated our recidivism rate, but we work with organizations to prevent them from going back to the institutions.

Mr. SCOTT. Thank you, Mr. Chairman.

Chairman OWENS. Thank you. I would like to now recognize the full Committee Chair, Ms. Foxx.

Mrs. FOXX. Thank you very much, Mr. Chairman and I thank our witnesses for their testimony, and their written testimony, and the very specific kinds of recommendations that have been made. Mr. Sanders, as you know, holding programs accountable for their performance is a top priority of mine, and it is frustrating that almost a decade after WIOA's enactment the Departments of Labor and Education still have not fully implemented the accountability provisions.

As we consider modifications to the six common indicators of performance to better measure program successes, do you agree that any updates should be based on data that the workforce system is already collecting, to avoid additional administrative burdens and allow for swift implementation?

Mr. SANDERS. I wholeheartedly agree, Dr. Foxx, that we should use the existing data we have. Obviously, it would create additional stress on the whole system to come up with the new metrics at this time. I think that would be the right direction to look at what we have and create appropriate measures.

Mrs. FOXX. Now remember I have limited time, so in my next question do not give me the whole universe. What are some of the challenges states face when using the statistical adjustment model to negotiate their expected levels of performance?

Mr. SANDERS. I will make it short and sweet. Right now, I feel as if it is a black box, when it comes to the way that the calculations are made. The states do not have any insider transparency as to how the numbers are calculated, and I think it should be more transparent and an even playing field to come up with what the metrics should be.

Mrs. FOXX. Do you believe reversing the negotiations process so the Department suggests levels based on their statistical model, and then states get a chance to respond and counter with their own data, would reduce duplication of effort, and helps states negotiate on a level playing field.

Mr. SANDERS. I would agree with that as long as the Department shares their basis and assumptions on how they come up with the figures.

Mrs. FOXX. Great. Transparency is the other thing we are looking for in everything that we do in this Committee. Ms. Bradshaw, in your testimony you suggested states work together to streamline the application process for high-quality programs, so they can be available to learners across multiple states.

Does this type of collaboration become easier if the eligibility criteria are narrowed down to focus on program performance?

Ms. CONRAD-BRADSHAW. Thank you, Representative Foxx for your leadership over the past decade on these issues. The most important outcomes are those that matter to the learner, and pro-

gram completion, and certification, job placement, and an increase in projected wages.

Best in class providers are consistently meeting and surpassing these performance targets, and these providers often have strong employer partnerships that lead to full-time employment. Congress should encourage states to work together to streamline the process to get these quality providers as many WIOA participants as possible.

Mrs. FOXX. Thank you very much. Mr. Bishop, WIOA created a State funding mechanism for giving up the cost of operating the one stop center among partner programs. However, it can only be used after local boards try and fail to reach agreement.

What are the practical implications of forcing the WIOA system and partner programs to negotiate to the point of failure each year?

Mr. BISHOP. I appreciate the question, and actually the State infrastructure mechanism is something near and dear to my heart because it was something I helped conceptualize when I was at the Department of Labor, and it ended up in WIOA. I actually think that the Department misinterpreted the statute because the local memorandum says may, and they through regulation, said that you had to fail before going to the state—triggering the State infrastructure mechanism.

With that said, the idea behind the State infrastructure mechanism was that we still have in too many communities, we do not have a one stop system. We have a one stop system amongst the Title I and Wagner Peyser programs, and then we have a social services system where you go to get TANF or other services. You have got a bulk rehab system in a location where you go to get that.

The idea of the State infrastructure mechanisms is that Governors will be able to take off the top of their State allotments and pool those resources, then make sure that each program has skin in the game, so to speak, and then comes together at the local and the regional level to be able to provide those services.

The problem right now, and I am working in West Virginia, they literally spend months negotiating MOU every single year. They have to negotiate the MOU, the cost allocation, the partnership, contributions, they spend more time negotiating MOUs than they do serving clients, literally in some cases.

Mrs. FOXX. Well that is certainly something we would like to solve, and again I really appreciate the specific recommendations that we have gotten from members of the panel today, and we are definitely going to learn and improve. Learn from what has not worked, and improve in every way that we possibly can. Thank you very much. Mr. Chairman, I yield back.

Chairman OWENS. Thank you. I would like to now recognize Ranking Member Ms. Wilson.

Ms. WILSON. Thank you Mr. Chair. Mr. Beasley, you mentioned in your testimony the value of streamlining eligibility requirements, specifically you called for automatically qualifying residents in opportunity zones for WIOA services. You claimed such an approach could expand services for underserved communities and eliminate eligibility barriers for job seekers.

Can you speak on those barriers you have seen for potential WIOA participants? What are the eligibility requirements and paperwork that is so burdensome?

Mr. BEASLEY. Thank you Congresswoman Wilson, for the question. As I mentioned in my testimony, the use of opportunity zones enables workforce boards the ability to if approved, would allow us to quickly be able to make someone income eligible, reduces the barriers.

How I feel, Congresswoman, is that the system has individuals jump through a bunch of hoops. You have to prove—poor people have to prove that they are poor to receive our services, and if we had automatically eligibility, it would enable us to provide services directly, and streamline that process to get them into a program very quickly, into a training program, or directly into placement.

For us, it minimizes the type of paperwork that we have to collect, so that we can determine eligibility.

Ms. WILSON. The WIOA of 2022 bill that we passed in the House last conference—Congress, we required the youth of self-attestation for eligible youth to ease the enrollment process for both the individual and the board. Do you think such a process would minimize paperwork?

Mr. BEASLEY. Yes ma'am, as a matter of fact, we as a workforce board have approved self-attestation policy. Self-attestation allows a participation to self-certify eligibility information when the ability to provide that information becomes burdensome.

Self-attestation should also be used to allow for the documentation. When there is a lack of resource or documentation beyond self-attestation, it can delay the process. For us, as a workforce system, it helps us be able to get that individual into a program to help them become self-sufficient.

Ms. WILSON. Okay. The topic of consolidation of workforce boards has been a subject of discussion. Proponents argue that consolidation can streamline operations, and reduce inefficiencies, however, there are concerns about potential drawbacks. Can you provide insights into the advantages and disadvantages of using consolidation?

Mr. BEASLEY. Thank you for the question, again Representative Wilson. I will share with you one of the comments that other panelists have mentioned here is about data access. Again, from the Federal side, it gives us an opportunity to kind of streamline that piece to give clarity, to provide data access to not only from the State level, but for the local level.

It allows us to be more efficient. No. 2, when we actually consolidate, I think some things consolidation does provide some benefits, and sometimes it also provides a way of preventing some barriers in the local voice of how services can be provided.

A prime example, we are going through that process here in Florida, and you have one particular region that is been consolidated into a larger region. Often times the services in that particular region may not be provided in the way that has been provided before. Again, when we are looking at deficiencies, there are ways that I would recommend that can take place by having more automation in terms of the case measurement systems that we have, that will

reduce the amount of work that local providers, the staff there, are in the centers, that they have to do.

The other piece of streamlining the process in terms of data, like our council mentioned here, but also encouraging our states to have statewide contracts, a recruitment process. It eliminates having those components within our workforce system, and it helps us be able to serve more individuals if those things were taking place.

Ms. WILSON. Thank you. As we explore ways to enhance the effectiveness of individual training accounts within workforce regions, we must have a robust evaluation process in place. Can you share specific performance metrics, or key performance indicators that you believe should be used to assess the success of our ITAs?

Mr. BEASLEY. As our panelists have mentioned, to increase the number of training vendors in our system is great. However, I would encourage that this panel, this Committee, recommend in terms of reauthorization, four components that we have implemented in our workforce region, and we have had them in place since 2010.

The first is a percentage of training participants that successfully complete their training program. No. 2, a percentage of training participants that obtain a credential, or certification after they've completed the program. No. 3, the percentage of training participants that obtain gainful employment.

Then No. 4, a percentage of training participants who gain—who obtain gainful employment, but within the field. Those are the four criteria which we use in terms of our contracts. If a training vendor's program does not successfully complete those items, that program is automatically removed from our training, our provider list.

Ms. WILSON. Thank you. I yield back.

Chairman OWENS. Thank you. I now recognize Mr. Thompson from Pennsylvania.

Mr. THOMPSON. Mr. Chairman, thank you so much, and thank you to all of our witnesses for being here today. As we have heard in our hearing on WIOA earlier this year, there are a number of areas that can be improved in the WIOA system. I thought we did a pretty good job in '22, but we are always looking to refine, and make improvements.

I am happy to see that each of our witnesses today has offered concrete solutions to help us move forward. Looking backward very quickly, for anyone, certainly Mr. Beasley, as Executive Director of Workforce Investment Board, I think one of the key changes improvements that we have made with WIOA, was that we required a controlling interest on those boards.

I have to admit right up front, I am a recovering workforce investment board member. That one of the changes was that 50 percent plus had to be individuals from the private sector. The folks that were signing the front of a paycheck, not the back of a paycheck, or being in line to receive the funding to provide the employment in career and technical education.

Has that had a beneficial impact with having our boards have more individuals from the private sector? The folks that are the job creators? Any thoughts on that? I am just curious. Mr. Bishop?

Mr. BISHOP. I think it is important that they be 50 percent plus 1, but I would say that I think it is often symbolic and not real

in terms of employer engagement. Having boards that have majority employers does not mean that there is employer engagement occurring.

It does not mean that employers, or the right employers are invested in the system. Frankly, does not necessarily even mean the right people for those companies are on the boards. What I see often is that we talk about business led boards, and that becomes a substitute for the hard work of rolling up sleeves, and really achieving true sector partnerships and sector strategies.

Really engaging businesses in a meaningful way that gets them the skilled workforce they need. Additionally, it gets back to my comments and why I continue to talk about the governance structure, because we have so many built-in inefficiencies, in my opinion, that we are not able to utilize the resources effectively on behalf of businesses to get them skilled workers, to be able to grow their businesses and expand.

I see that continually in many, many states and locations.

Mr. THOMPSON. Right. Very good. Well, I do think, Mr. Beasley, any reflections in your role as Executive Director?

Mr. BEASLEY. Thank you for the question, Representative Thompson. I really think that having a business led board really provides an impact for us. Like most boards in the State of Florida and those that I used to oversee when I was the State Director in Missouri, again what I am seeing in most boards, they are engaging their business community, and not just those on the board, but the Chambers of Commerce.

I myself, am a former Chairman of the Greater Miami Chamber of Commerce, and so we are engaged with them as well as the Beacon Council, which is our economic development arm. What I am seeing in most boards that are engaged in the business community, they are connecting with them to address the needs of what businesses need in terms of a common supply.

Mr. THOMPSON. Right. That is important. This point is well taken too. It cannot be symbolic. It cannot be a monthly luncheon. They have got to be rolling their sleeves up, and so a question for Ms. Conrad-Bradshaw.

Cengage has a unique perspective when we talk about workforce development. As you noted you are at the intersection of education employment, and I appreciate your emphasis on focusing on reskilling workers due to the changing economic landscape because we know that's happening all the time.

The rate of technology enhancement, right? As we focus on filling the skills gaps in our workforce system, I think it is important to focus on upscaling incumbent workers, investing in the existing workforce ensures that workers can remain relevant for today's rapidly changing economy.

Can you talk about the experiences Cengage has had in upscaling incumbent workers?

Ms. CONRAD-BRADSHAW. Yes. We worked—thank you, Representative Thompson for your question. We work closely with employers to upskill their incoming populations, particularly we see this in hospitals, but we also see this in large businesses that we work with across the country, who are particularly interested, and in cybersecurity, where they are interested in their workforce having

the most up to date credentials, that are required either by the State and that demonstrate the skills that they need.

Employers are making direct commitments to themselves, and many of them do not always know how to even access the funding that may be available to them, but this is a critical priority to them.

Mr. THOMPSON. Here is my hope. Our U.S. workforce participation is down, 62.8 percent, aging population is a part of that. There are some other variables, so I would hope, perhaps, in this upscaling we could provide skills incentives for individuals to stay in the workforce longer because the workforce—that is really the energy of the economic—American economy, is having that workforce, thank you.

Chairman OWENS. Thank you. I would like to now recognize Mr. Takano of California.

Mr. TAKANO. Thank you, Mr. Chairman. Just yesterday I met with the Chancellor of the California Community Colleges to discuss some of the most pressing issues facing students, and their trajectories into the workforce. This hearing comes at a perfect time, as we gear up for the reauthorization of WIOA.

One of the unique initiatives being spearheaded is the California military articulation program, or MAP initiative, which seeks to maximize credit for prior learning for veterans. This initiative focuses on completion of transfer and career attainment for veterans through granting credit for prior learning in military training.

The goal here is to give veterans every single credit they deserve for their previous work experience in the military. Students who are awarded credit for prior learning are more likely to complete a degree in contrast to their counterparts. Furthermore, students who are awarded credit for prior learning save an average of 9 to 14 months to earn a degree.

Students could save thousands of dollars on tuition, and other related expenses, not to mention preserving their GI bill for maybe graduate school or other learning. The savings are substantial. I am proud to highlight the initial MAP initiative begun at my own community college, Riverside Community College in my own district.

Numerous veterans have been able to receive extensive credit for their valuable work experience in the military. Now the aim is to deploy MAP in all of the 116 community colleges that currently span California, with the hopes of improving access completion and transfer credits for military training.

Now Mr. Beasley, do enough veterans in this country receive appropriate college credit upon enrolling in a college post-service?

Mr. BEASLEY. Thank you for the question this morning, Representative. I will share with you one of the items for us is to expand prior learning assessments. Again, for those in the military as well as working adults. The goal there again, is to accelerate the skills, so that they can obtain employment.

Mr. TAKANO. Generally, Mr. Beasley, do you believe that enough veterans are receiving appropriate college credit throughout the country? Is that your general impression, or could we do better?

Mr. BEASLEY. Let me answer this way. We can do much better.



Mr. TAKANO. Great. Thank you. Mr. Beasley, in your estimation do you believe that we should be providing veterans with college credits for military training? Should we be doing this?

Mr. BEASLEY. Yes I do. My father is a military man who served for 27 years in the military.

Mr. TAKANO. Great, and what, if any, are the benefits that would come along with providing college credits for training and course work completed on active duty?

Mr. BEASLEY. Implementing prior learning assessments for those in the military, it affords them to take the skills they have learned on the job, and acquire college credit, which then makes it more attractive to employers, and it upskills them to provide the upskill, and allows us to be able to place them much faster.

Mr. TAKANO. Do you believe there is value in granting veterans credit for prior learning for their military experience?

Mr. BEASLEY. Yes I do.

Mr. TAKANO. Now by creating an additional pipeline of students that can join college programs on an expedited track, the reality is that we would have college graduates enter the workforce more quickly.

Mr. BEASLEY. Correct.

Mr. TAKANO. Now there are broad areas that may exist alongside military service where we can recognize people's lived experience, and potentially explore the notion of expanding credit for prior learning, among other people in the workforce beyond our military service members.

Do you believe that there are large groups of working people for whom this could be true?

Mr. BEASLEY. Yes, sir.

Mr. TAKANO. For instance, childcare workers specifically, could they benefit from such a program?

Mr. BEASLEY. Yes, sir.

Mr. TAKANO. What about homecare workers?

Mr. BEASLEY. Actually, I would say the gamut of all those in various occupations will be able through prior learning assessments, acquire upgraded and accelerated skills if they were implemented.

Mr. TAKANO. These homecare workers that are getting paid to take care of a family member, people that are taking care of other folks, generally low paid. Do you believe that there is from their experience they could be granted some amount of credits by a community college, or a college, for their experience, which would be more inviting for them to actually upskill, and to increase their value in the workforce?

Mr. BEASLEY. Yes, sir. As a matter of fact, we have implemented a teacher assistance program targeting individuals who are already providing early learning education to our youth, and provided them an opportunity to upskill their grade—upskill their education.

Mr. TAKANO. Well thank you, Mr. Beasley, for your responses. I yield back.

Chairman OWENS. Thank you. I would like to now recognize Mr. Grothman from Wisconsin.

Mr. GROTHMAN. Thank you. Kind of amazing sitting here listening to a bunch of Congressman decide how we should micromanage these local programs. It kind of reminds you why Federal Govern-

ment ought to be not involved in all sorts of things, and just send it back to the locals once and for all.

Just a general question. I just kind of wonder about this, Mr. Bishop. What percentage of high school seniors you think ought to enroll in a 4-year, 2 year leading to a 4-year university, compared to the number that are doing it now?

Mr. BISHOP. How many should enter a community college, a 2-year and then a 4-year?

Mr. GROTHMAN. Well, by community college I guess in Wisconsin a community college is the gateway of a 4-year college. How many should immediately upon graduation be working toward a 4-year degree, and a 4-year institution? Compared to the numbers who are?

Mr. BISHOP. Well, I can tell you that roughly 28 percent or so of individuals in the United States have a bachelor's degree. Most jobs do not, especially higher paying jobs now, do not necessarily require a bachelor's degree. I am of the opinion that we should be providing high school students with much more direct career exploration and understanding.

I talk to community college students all the time, and we have kids spinning their wheels from different courses to different programs.

Mr. GROTHMAN. Yes. If you just had to give me a wild guess. We are not going to be quoting you here 10 years from today, of all the kids who graduate from high school.

Mr. BISHOP. How many need to be——

Mr. GROTHMAN. How many should not go onto a 4-year college, and how many should be looking at say a skill where you could make more money and have more job security?

Mr. BISHOP. I do not know, 70/30 skilled to college maybe.

Mr. GROTHMAN. Okay. You are saying about 70 percent of the people going to college, you are better off going to tech school, or learning a skill?

Mr. BISHOP. It depends what industry——

Mr. GROTHMAN. You could be right. Other people feel that way.

Mr. BISHOP. This is a tough question.

Mr. GROTHMAN. I would say more 50/50, but if you want to say 70/30.

Mr. BISHOP. Yes, 50/50 sounds like good number to me.

Mr. GROTHMAN. Half should not be going.

Mr. BISHOP. My biggest thing is I think people should have the information and data exploration to be able to make the choice that is best for that individual. That is my pick.

Mr. GROTHMAN. Sorry for showing up a little late today. I was over in the Budget hearing where we were passing a budget resolution, and people keep pointing out that 22 percent of the amount of money the Federal Government spends today is borrowed. Right? We have kind of a frugal, by congressional standards a very frugal agreement as far as the amount we are spending next year, and we are going to drop the amount we are spending next year compared to this year on discretionary spending.

Nevertheless, obviously we are almost at the point of no return as far as the amount we're borrowing. What do you think about the

idea of taking this whole WIOA thing and just throwing it back on the states, and getting the Federal bureaucracy out of it?

Mr. BISHOP. I would say absolutely my opinion, again I will say as somebody who turns 67 in 2034, the year social security goes upside down, that I have always been kind of nervous about how the budget scenario looks. I would say that I am absolutely a fan of modifying the rules of the game with WIOA, and allowing much more State innovation and flexibility, and I think the more that Congress through reauthorization can get rid of a lot of these rules, and allow for that flexibility.

Mr. GROTHMAN. Things around here move glacially.

Mr. BISHOP. Yes. I understand.

Mr. GROTHMAN. They move glacially.

Mr. BISHOP. Yes. I started working on WIOA reauthorization in—

what is that? I am sorry.

Mr. GROTHMAN. If you even think—do you really want the reauthorization in—things around here move glacially.

Mr. BISHOP. Yes.

Mr. GROTHMAN. Do you really want Congress mucking around with this at all? It will be a small miracle if anything comes out of this Committee.

Mr. BISHOP. I want Congress mucking around in it if they will get rid of some of the things that are not working right now, and are hamstringing—

Mr. GROTHMAN. Congress does not get rid of anything. Ronald Reagan said there is nothing, you know, more whatever. There is nothing more permanent forever than a new Federal program. That is not going to happen. Should we just clear this out, and you can deal with it on a State by State basis?

Mr. BISHOP. Let me answer it this way. I am a conservative. I consider myself a very conservative individual, and I had to ask myself when I started at the Department of Labor in 2001, as a conservative, how can I be working in these programs?

I will tell you the answer I answered to myself. I think it is probably the best answer I can give you, as I do believe, and I have experienced over 20 years a number of individuals for which there is a free market problem. Individuals impacted by global trade go to Michigan.

When I had to go to Michigan and see 300 people had been laid off because Whirlpool just ended up going to Mexico or China, and having to look them in the eye, and they look at me and say Mr. Bishop, what should I do now? I do believe there is a role, a Federal role for funding employment and training and education programs, but again a role that is targeted and that frees up the states and local communities to be able to provide those services to those vulnerable individuals.

I do believe there is a role for the Federal Government as a conservative individual. That role that is being played now, I do not agree with because I think it is so hamstringing and so inefficient that we are not actually able to serve the people effectively who need these services, of which I think there is a role to serve.

Mr. GROTHMAN. I will ask the same question. Okay. That is Okay. We are done, that is okay.

Chairman OWENS. I would like to now recognize Ms. Manning. Ms. MANNING. Thank you, Mr. Chairman. Thank you, Mr. Bishop for that answer. I would like to talk a little bit about wraparound services. I recently met with the economic development leaders, one of—or actually two of my rural counties in my district, to talk about workforce challenges that their communities are facing.

Throughout our conversation, these leaders repeatedly stressed the need for supportive services, in particular, they talked about the need for childcare and transportation. They emphasized that those were both hurdles to getting people into the workforce who are not currently working.

We all know that WIOA's purpose is to help with those with barriers to employment find success in the job market, but there are currently calls to cap or eliminate funding for exactly the kinds of supportive services that my constituents need. Mr. Beasley, what can we be doing in Congress to help address the need for supportive services, and in particular, childcare and transportation, so that more workers, particularly in rural areas, can participate in the workforce?

Mr. BEASLEY. Thank you for that question. Good morning to you. Again, as I mentioned in my comments that Congress should promote the expansion of supportive services to address again those items, in terms of a benefits cliff. If we are looking at supportive services, again childcare, transportation, and even needs related payments, will assist our workers, our job seekers to be able to give them a helping hand to complete the program successfully, so they can get a job.

Then beyond that, to be able to assist them to become self-sufficient.

Ms. MANNING. Would cuts to those programs create more hurdles for getting some of those workers into the workforce?

Mr. BEASLEY. Well when you say cuts to programs, again when we are looking at the supportive services, and that is why I made my comment in terms of when you look at ITAs, that again providing the definition for training should include supportive services, so that they are not cut because again, for someone to successfully complete the program, wraparound services become very important to the completion for the success of that person to complete.

Ms. MANNING. I also met with local community leaders and police officers, to discuss the troubling trend of youth crime rates. At risk youth across the Nation often face unique challenges in developing the skills that will allow them to enter the workforce.

Early exposure to work and economic opportunity can change the trajectory of a young person's life, yet the current republican budget would defund WIOA's youth job training program, a critical program that helps prepare young people to enter the workforce.

Mr. Beasley, can you talk a little bit about the positive impact that youth oriented services have had on our communities?

Mr. BEASLEY. Well, let me again thank you for the question. I think we need to make a major investment in terms of our future workforce. As you know, we have a challenge of identifying skills, or talent for employers that need it. I think if we make investment, you will see that if we provide career exploration for the youth, it

would help them acquire the skills necessary to be able to get and obtain employment.

I will share with you we are working with an organization called AAR, one of the largest maintenance repair organizations in the country, and we have launched a free apprenticeship program with them to build talent pipelines, and they specifically target those at-risk youth to go into their program. When you have employer like that that is committed to serving individuals that have some barriers, it allows us as workforce entities to be able to build talent to meet their needs.

Ms. MANNING. You also mentioned in your testimony the issue of benefits cliffs.

Mr. BEASLEY. Right.

Ms. MANNING. One of my nonprofit CEOs often talks about the need for a benefits ramp, rather than a benefits cliff. How would you address the benefits cliff issue?

Mr. BEASLEY. Again, thank you for that question. I actually sit as a co-Chair in Miami-Dade County on a benefits cliff committee that we have. One of the issues that we are facing is that how do we help employers be able to maintain their workers, but at the same time find a safety net to assist?

My recommendation to this Committee is this. The Federal Reserve has been looking at this component for a number of years, and they have, you know, provided kind of a study. If we could have a sliding scale that could be implemented, that as my salary is increased, that my benefits would then decrease by the same amount.

That way I am not eliminated. It helps in terms of how republicans look, in terms of eroding, getting rid of a safety net. It also provides a way for that individual to gain, to increase or gain from employment without the fear of losing their benefits. A sliding scale would be my recommendation that you all implement as my, again, my wages go up, that percentage increase would decrease my benefits.

Ms. MANNING. Thank you. My time is expired, I yield back.

Chairman OWENS. Thank you. I now recognize Mr. Smucker from Pennsylvania.

Mr. SMUCKER. Thank you, Mr. Chairman for yielding and to our witnesses for sharing their testimony today. This is one of the issues I have a deep interest in. I talk to employers in my district, workplace shortages are one of the key issues they are faced with, and certainly we need individuals to engage in the workforce.

We need their talent, and we need their skills. It helps them to achieve their American dream, so we want to be sure that this program is effectively serving the American workers and their communities. Ms. Conrad-Bradshaw, a few questions just for you based on what you're doing at your business.

I spoke with a technical college in my district, Thaddeus Stevens, which is a great school who said they have been unable to be added to the eligible trainer provider list, ETPL, because the process in their mind was just simply too complicated to warrant doing it.

I am wondering how you feel about the process. Do you think it accurately examines program quality, or is it like just making people jump through hoops? Do you think it works?

Ms. CONRAD-BRADSHAW. Thank you, Representative Smucker for your question. I would say that I think what your technical college is experiencing is relatively common for training providers to access the eligible training provider list. What we are advocating for is that there is a very clear focus on program outcomes and program standards.

That for those programs that can demonstrate those standards reliably, that there should be streamline process to access the TPL.

Mr. SMUCKER. Do you think that would result in more high-quality programs?

Ms. CONRAD-BRADSHAW. I do. I do believe that the streamlining of the process will allow more high-quality programs to one, access that, and also the transparency will then be there for the learner, and employers, to know which programs actually deliver results, right?

With so many programs on the list, it is hard for both of those constituencies to determine which actually will deliver results for both parties.

Mr. SMUCKER. Yes. One of the other areas I wanted to just ask you about is I think it's really important that we have employers involved in workforce development, in helping to determine the needs that exist. I was a business owner myself for many years.

I served on the Ways and Means Committee as well, and I have introduced legislation called the U.S.A. Workforce Tax Credit Act, that would create—actually create a tax credit for employers who participate, who give contributions for apprenticeship programs, for schools like Thaddeus Stevens, or other programs, so that they create those kinds of partnerships, and businesses are helping to develop the programs.

I was interested in Cengage, like how do you map employer demand? How do you ensure that you are building industry relevant content? Are there things from your approach that we should be learning in the workforce system?

Ms. CONRAD-BRADSHAW. Yes. I appreciate, and Cengage works really closely with employers as well as industry leading associations to ensure that all the programs that we propose are in high demand, and are growing, right, so they provide real opportunity for learners.

Two, that the skills that we put into them, the skills education that we put into those programs are really matching exactly what employers need, and exactly what learners need in order to pass those certifications that are required in many professions these days.

We see that close collaboration happening at many levels of the workforce, and we then also work with employers to not only map those didactic portions, but also the on the job pieces, to ensure that there is a smooth on the job transition. Those types of programs that you were mentioning, apprenticeship and tax credit, we believe that the increased opportunity of those is going to benefit both employer and learners, and that requires that sort of close collaboration to map not only the skills, but also what does the demand projections look like over time to make sure that those training providers are mapping the number of people.

Mr. SMUCKER. Thank you. One more quick question, I am sorry. This is all going to be to you.

Ms. CONRAD-BRADSHAW. Okay.

Mr. SMUCKER. I think that is all that I have time for, but online options as a part of the workforce development, part of WIOA programs. I think it is really important that we meet people where they are. We ensure that people can have the access to the program, and so you know, I was part of the later to try to ensure that high-quality online options could be available.

I mean it is a way a lot of people are learning today, and I just wanted to get your thoughts on that.

Ms. CONRAD-BRADSHAW. I really appreciate the question. At Cengage, we believe in student choice, and we believe that all learners should have access to high-quality training and upskilling. That it is critical to actually meeting our Nation's demand.

The vast majority of students that we work with are often times working multiple jobs, and so they access—we have students signing into programs at 2 o'clock a.m. in order to further their education, in order to further their career access. Providing access to online and hybrid opportunities that are going to be able to meet those learners where they are is critical for both those learners, and for meeting the economic imperative.

Mr. SMUCKER. Thank you.

Chairman OWENS. Thank you. I would now like to recognize Ms. Bonamici.

Ms. BONAMICI. Thank you Chairman, and Ranking Member, and thank you to our witnesses. I am really glad we are having a productive and bipartisan conversation about reauthorizing the Workforce Innovation Opportunity Act. It was the first bill signing I went to as a Member of Congress with Chairwoman Foxx, and it is time.

It is time for reauthorization. For the last two Congresses, including during the last reauthorization proposal, I introduced two bipartisan, bicameral bills to develop stronger industry and sector partnerships, provide support for small and medium sized businesses to attract and retain workers, and also increase worker's access to high-quality work based learning and apprenticeship programs, as well as wraparound services, that will increase the likelihood of successful completion in a workforce development program.

I am hopeful that those bills, the Builds Act and Partners Act will be considered during this Committee's bipartisan negotiations. I want to followup on Representative Manning's question to you Mr. Beasley. Basically, the same question I was going to ask, so I am going to followup on it. About the supportive services and how important they are.

They can include transportation, childcare, tools, uniforms, et cetera. We really see these as crucial components for equitable and successful workforce development, and again help people complete the program that they are in.

I also want to ask how those services make a difference in increasing diversity, and for example, jobs in the trades. Getting people in who have historically been left behind. In my home State of Oregon, we have an organization called Oregon Tradeswomen, so we have a higher percentage of women in the trades.

I have spoken with a lot of them, and they say these programs changed their lives, not just for themselves, but for their families. Increasing the number of people who might not traditionally think of a job in the trades for example. We also have an organization called Constructing Hope, a wonderful organization.

They work primarily with men and women, who have been in the criminal justice system, and they have a path to a good job because they learned the skills. What support services are important to people, particularly people who have not been involved in trades or other similar jobs, what makes a difference, and what will help them complete programs?

Mr. BEASLEY. Good morning, and thank you for the question. I will share with you, Representative, that we as a workforce brought here recently, actually expanded what we call our supportive matrix. We found it is very valuable to do so. In the past, I think we were able to award maybe \$2,000.00. Now it is up to \$4,500.00.

Again, living in Miami, the cost of living is very significant. Again, I cover well the Keys as well, Key West, so again cost of living is significant. These programs really are valuable to help in terms of childcare, in terms of needs related to payment.

A participant who may be going through training may need assistance with terms of housing and can use these dollars to be able to assist them, so that they are not worried about losing their home, but can concentrate on completing their program, again for the tools.

Individuals who are coming through our programs, we assist in terms of providing resources for the purchase of tools, and so they become very valuable.

Ms. BONAMICI. That increases the likelihood they will complete the program.

Mr. BEASLEY. Complete—the likelihood of completing the program, and that is going to be beneficial.

Ms. BONAMICI. Absolutely. I have a little bit of time, so Mr. Sanders, there is a tremendous value in having high-quality data about workforce participation and program enrollment. Last year, the GAO published a report that found challenges with collecting and reporting data about enrollment in workforce development programs.

They identified issues with data about students enrolled in multiple programs for example. GAO's recommendation was for the Department of Labor and Department of Education to improve data coordination. This could be accomplished, for example, by updating the statewide longitudinal data systems program, so in addition to incorporating GAO's recommendations, what can Congress do in the next reauthorization to improve data access for State and local boards that increase the coordination between Labor and Education, and the collection reporting of data.

Mr. SANDERS. Representative, thanks for your question. I think one of the things is to make sure that the data being used is qualified the same way. I think that is one of the challenges we have in the workforce area when you go to education, it is different.

I mean, I go back to the old days it was all a social security number. Nowadays education does not use that. I think we need to find



a way to match it up. The beauty of these multi-State data collaboratives that were set up, we have got the ability through algorithms that is thrown over the wall, match it up, and then you can analyze it.

You can look for unemployment insurance to re-employment. You can look at credentials of value. That is the beauty of having this not necessarily within the Federal Government, but we can protect it outside, and states can look across State lines, because so many states border population areas, and it is a true ability to actually see what happens to individuals who train and educate if they stay in your State, or if they go across State lines.

Ms. BONAMICI. Absolutely. Thank you. Mr. Chairman, as I yield back, I would like to submit for the record a letter from AFSCME, urging the Committee to recognize the contributions of the Wagner-Peyser Employment Service to the workforce system, and encouraging support for merit-based personnel as a foundation of the employment service.

Mr. GOOD. Without objection.

Ms. BONAMICI. Thank you, Mr. Chairman. I yield back.

[The information of Ms. Bonamici follows:]



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President

Elissa McBride  
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Mary E. Sullivan  
Albany, NY

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Mike Yestramski  
Olympia, WA

September 20, 2023

The Honorable Burgess Owens  
Chairman  
Education and the Workforce  
Subcommittee on Higher Education and  
Workforce Development  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Frederica S. Wilson  
Ranking Member  
Education and the Workforce  
Subcommittee on Higher Education and  
Workforce Development  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Owens and Ranking Member Wilson:

On behalf of the 1.4 million members of the American Federation of State, County and Municipal Employees (AFSCME), I am writing with respect to the September 20, 2023, hearing entitled "Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and Taxpayers." AFSCME represents Employment Service (ES) workers across 17 states who play critical roles in the workforce system. I request that this letter be included in the hearing record.

As you consider a potential reauthorization of the Workforce Innovation and Opportunity Act, we urge the Committee to recognize the enormous contributions of the Employment Service (ES) to the broader workforce system. Central to the success of the Employment Service is the merit-based personnel system that ensures they are honest brokers providing high-quality service to job seekers. Merit staff are civil service government workers who match eligible applicants with programs and deliver benefits and services efficiently and effectively. Merit staff conduct the people's business according to transparent standards, free from political influence and without fear of arbitrary management action or retaliation. Merit staff are professional and resilient and can help safeguard decisions to grant or deny a federal benefit from political whims. Staff hired on a merit basis develop a broad knowledge base that benefits job seekers who rely upon their strong understanding of the workforce programs available.

Efforts to privatize or outsource the Employment Service's existing high quality, middle-class sustaining union jobs that the merit-based personnel system provides, are short-sighted, misguided and would lead to waste of government funds and poorer service outcomes for job seekers. For example, the reemployment services provided by state merit staff shorten a worker's period of unemployment by speeding their return to work and produce higher earnings gains, especially for women. A study of Nevada's Reemployment Eligibility and Assessment program revealed that requiring merit-based staff to conduct all unemployment insurance (UI) program roles resulted in workers being connected to jobs more quickly and lowered total benefit payouts, a cost savings for the government<sup>1</sup>.

<sup>1</sup> Impaq International Report: Impact of the Reemployment and Eligibility Assessment (REA) Initiative in Nevada), [ETAOP\\_2012\\_08\\_REA\\_Nevada\\_Follow\\_up\\_Report.pdf \(dolceta.gov\)](#)

**American Federation of State, County and Municipal Employees, AFL-CIO**

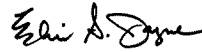
TEL (202) 429-1000 FAX (202) 429-1293 TDD (202) 659-0446 WEB [www.afscme.org](http://www.afscme.org) 1625 L Street, NW, Washington, DC 20036-5687

Outsourcing of Employment Service functions during the pandemic provided a cautionary example of the perils of privatization. In response to the pandemic unemployment crisis, Congress enacted a temporary exemption from the longstanding requirement that UI adjudicators be merit staffed. First included in the Coronavirus Aid, Relief and Economic Security (CARES) Act<sup>2</sup>, this temporary exemption resulted in many states contracting with private companies that hired low-paid, poorly trained (if trained at all) non-merit staff to administer traditional and new temporary UI programs, such as Pandemic Unemployment Assistance (PUA). In AFSCME members' experience PUA suffered from a toxic combination of already fragmented ES and UI systems, poorly designed and outdated information technology, and non-merit staff who were untrained and did not understand their roles in a system of public welfare. This led to high turnover among contracted staff and supervisors, bias in the hiring of staff and in job and training referrals and placements, and poor service and long payment delays for claimants<sup>3</sup>. Further, incomplete and deficient work by outsourced staff increased the workload for state merit staff adjudicators who were forced to clean up vendor staff errors.

We applaud the Biden administration's recent regulatory efforts to restore merit-staffing standards in the Employment Service. Congressional actions and judicial decisions support a state merit staff requirement in the ES. Over the Wagner-Peyser Act's 90-year history, through several statutory amendments and court decisions, the state merit-staffing requirement has remained in place. This indicates a congressional intent to require the delivery of ES services by merit-based employees.

As Congress undertakes legislative updates to the workforce system, we strongly encourage you to support the merit-based personnel system that serves as a vital foundation of the Employment Service. As the union representing Employment Service workers across the country, we welcome the opportunity to provide any further information to the committee about our members' experiences and insights. We thank you for the opportunity to provide our views on these important topics.

Sincerely,



Edwin S. Jayne  
Director of Federal Government Affairs

ESJ:LM:dmg

cc: The Honorable Virginia Foxx, Chair  
The Honorable Robert C. "Bobby" Scott, Ranking Member  
Members of the Education and the Workforce Committee

<sup>2</sup> 21 Pub. L. 116-136, <https://www.congress.gov/bills/116th-congress/house-bill/748>

<sup>3</sup> AFSCME Member Reports. AFSCME members from the following states reported the continued contracting (after the expiration of the CARES Act UI privatization provision Sept. 6, 2021) with private companies to the detriment of state merit staff and claimants: Illinois, Maryland, Nevada, New Mexico and Ohio. Members in Florida, Louisiana, Pennsylvania and New York reported uncertainty about whether their states continued to contract out after the expiration.; Zelnick, Jennifer R. (May 2022) "Privatization, COVID-19, and the future of the ES/UI employment security model in the United States," Working Paper, Labor and Worklife Program at Harvard Law School.

Mr. GOOD. Thank you. I now recognize myself for 5 minutes. Ms. Conrad Bradshaw, in your testimony you mentioned that 223,000 people received training through WIOA's adult dislocated worker and youth formula grants program. Given that we spend nearly 3 billion on those programs annually, all of it borrowed, by the way, do you think that is a good return on investment?

It costs about \$13,000.00 per person, but I will also add that 109,000 actually completed the program, so using that measurement it cost about \$28,000.00 per person. Would you say those are a good return on investment?

Ms. CONRAD-BRADSHAW. Thank you for your question. We believe that there is an opportunity to increase funding spent on educational services through WIOA in this authorization, by streamlining a number of the administrative opportunities that are at work.

The critical piece is how much are you actually spending on training individuals? As you suggested, what is that return on investment? Are we seeing through low-cost programs the ability to actually achieve wage outcomes? Achieve those completion outcomes? With that, then it would be I think the importance of investing in the workforce is critical.

Mr. GOOD. Do you have thoughts on how we could better leverage that current 3 billion that is been allocated, to have a greater impact on more people, or to save taxpayer money if it was not having a greater impact? How would you leverage that 3 billion dollars to have a greater impact? What would you suggest?

Ms. CONRAD-BRADSHAW. We think that there is an opportunity to increase the number that is spent on training itself, as opposed to the administration of those services. While there is significant need in the community for training, as you said, it is not reaching nearly as many people as it could when there is significant need in high demand areas.

In our written testimony, we have specific ideas about how to streamline ETPL to decrease—to increase the efficiency of that, and if there are other areas in how we might be able to do that, we will be happy to get back with you on points.

Mr. GOOD. Well, since you mentioned ETPL, or eligible training provider list, what reforms might you suggest that would help those programs, or to ensure that only those programs with a positive return on investment are eligible for funding?

Ms. CONRAD-BRADSHAW. As we discussed, we think there is an opportunity to publish data, that includes all of those completion rates, and have a baseline of data on all of those outcomes made public. This ensures that there is complete transparency, both for the learner and employer, as well as for you as the investors in that system.

We also believe that you can streamline the access to that data through centralized tools, that really allow you to see wage gains. We also believe that there can be State coordination around high performing programs, so that that reduces administration, and allows many states to recognize the same high-performing programs that meet that baseline. To dedicate certain funds to innovation and experimentation, to meet the changing economy demands, par-

ticularly from already high-performing programs, and employer led initiatives.

Mr. GOOD. Thank you Ms. Bishop, or excuse me, Ms. Conrad-Bradshaw, sorry. I am thinking of Mr. Bishop there. Mr. Bishop, as you probably know, WIOA has not been reauthorized since 2020, and yet along with hundreds of other Federal programs that spend hundreds of billions of dollars, Congress continues just to appropriate money that has not been authorized, in other words, not taking the responsibility to properly assess, justify these programs.

WIOA cost taxpayers in the range of 10 billions dollars the last time it was authorized I should say, all of it again borrowed, with the deficit that we have. In your testimony you talked about financial integration of Federal resources, and the term braiding. Can you explain more about what that means to braid resources?

Mr. BISHOP. Yes, and again, some of the other questions around supportive services and youth programs, this becomes really important because those kinds of services do not need to be on the back of WIOA Title I if we have the ability to allow states and local communities to better integrate, not only their services, but their funding opportunities.

Again, what has happened in Utah is because we were able to get approval in the 1990's of a cost allocation model that allows Utah, we do not have to negotiate MOUs. In Utah, they have a single cost allocation methodology for the entire State where TANF and Title I, and vocational—all these funds are coming to the Utah Department Workforce Services.

Then they are able to then utilize all of those funds on behalf of a customer, depending on what that person's needs are versus the normal system, which is a local board gets only the Title I. That is all they have control of, and then they have to try to get the other partners to agree to help give a few little breadcrumbs to help them out.

Again, I would emphasize that in most communities, I guarantee almost every Representative on this Committee could go to their communities, and there is not a one stop place you go for workforce development. You have to go to at least three different places if you're lucky, versus Utah, where you truly go through one door.

There is a lot of inefficiencies that keep people from being able to get the services that they are eligible for.

Mr. GOOD. Thank you for sharing the success story from Utah that you have seen. Now, and I yield my time, and now I will recognize Mr. Moran from Texas for 5 minutes.

Mr. MORAN. Thank you, Mr. Chairman. Mr. Sanders, I want to start with you, and then Mr. Bishop I am going to come to you with a couple questions. Mr. Sanders, in your testimony, you mentioned the need to give states more flexibility under the WIOA youth programs, I also believe this is a very important thing we need to do.

In my home State of Texas, as well as in 15 other states the workforce boards are allowed to use the allotment of WIOA youth program funding to go toward individual training accounts for in school youth through a waiver from the Department of Labor.

I believe that it is imperative to set the next generation up for success in our communities, providing states with more flexibility, as was mentioned, with their WIOA youth program funding would

allow states to have more power to invest in youth faced barriers to education training and employment.

That is why I am working with the Committee currently to ensure that all workforce development boards across the Nation have this flexibility, as we look to reauthorize WIOA. Can you provide, Mr. Sanders, more insight into how we can provide additional flexibility in youth training programs, so that we maximize our impact on surrounding communities?

Mr. SANDERS. Thank you for your question, Representative. Yes, I think one of the beauties of working with youth is you need more tools in the toolbox, and I think this type of waiver that states use, it gives them the ability to address individuals that may be more rural, and do not have access necessarily with their own school to have training.

It gives them the ability to find an alternative provider. I think it will help individuals exit high school, and maybe have a plan A and a plan A. Not a plan A and a plan B. I think that is important for our youth that they make the right decision, which ever way they go. I think those waivers would pay off.

Mr. MORAN. Great. I will note I see heads nodding across the panel. Does anybody disagree with setting up these individual training accounts for youth programs, and youth training? It sounds like a pretty good idea to me.

It lets the local community, and in fact it lets the youth help determine their future, and I am a big proponent of that. Mr. Bishop, I want to come back to some things that you mentioned earlier.

I hear over and over again, in fact I heard yesterday from economic development leaders in my home State of Texas, in East Texas, that a number of folks involved in economic development and workforce centers, and others, oftentimes do not choose to participate in WIOA programs because of the sheer magnitude of the paperwork.

The regulatory burdens, the bureaucratic hurdles that go along with that, I am curious have you heard the same things? If so, what steps should we take during this reauthorization process to cut out unnecessary paperwork, and reduce the regulatory burdens?

Mr. BISHOP. Yes, I appreciate the question. Thank you. It is interesting to me to hear the questions about military credit for prior learning in talking about the community colleges, because to me one of the big weaknesses of the current system is it is not connected to community colleges in most communities.

We essentially have the community colleges doing their work, the workforce boards doing their work, and never the two shall meet in most places that I see. Truly, the same with economic development as well. You sort of have the three legged stool of economic development education workforce development.

The question is to what extent are those three legs of the stool actually working together on behalf of businesses and residents of those communities? I dare say that I think that probably it is not working extremely well in many places, unfortunately.

Much of that is because I think again, thematically as we have talked about, is that the rules that are in WIOA, especially around Title I are so strict, and so stringent, that it makes it nearly impos-

sible for people like Mr. Beasley and others. I mean you have heard all of the details he has had to weave his way around to try to make things work on behalf of the people he serves.

Yes, I think you hear all the time. What essentially happens in states is you get Governors and other State level officials, who the system does not work, and so they are creating their own end arounds. I talk about this in my testimony. I have seen this over and over again. They create their own funding mechanisms to pay for ITAs for youth, or tuition for workforce programs.

They create their own different separate business boards or councils. Yes, what happens is essentially, they say the system does not really work, but there is not much I can do about it, so I am going to create something through economic development that does work.

Mr. MORAN. Just to hit on that point again, and to echo, we are looking at the Utah model, and that is a model that seems to be working, but under current WIOA, is not something that we can fund. What incentives for innovation, that is a phrase you use in your testimony, should we be looking at to include in the WIOA reauthorization?

Mr. BISHOP. Yes. Again, it gets back to the demonstration authority idea, and I do give some more specifics outside of the demonstration authority, but the reason I believe so strongly in the demonstration authority because in the 1990's, I saw what allowing states to innovate around welfare reform, and social assistance programs did, where we ended up with a ground swell coming up to Congress, so that by 1996 we have bipartisan Federal welfare reform with the Clinton administration and a republican Congress.

I believe the same kind of bipartisan approach can occur in workforce development. I do not think we have all the answers for what works, community by community. We have a very diverse country. I think the best thing we could do is allow for demonstration authority to let Governors working with their local officials, come forward to Congress, to the administration and say this is what we would like to try. This is what works for us.

In return, here is the improved performance we will seek as a result of this flexibility. I think it is just a really balanced and important approach.

Mr. MORAN. Thanks to the witnesses. Mr. Chairman, I yield back.

Chairman OWENS. Thank you. I would like to recognize Mr. Walberg.

Mr. WALBERG. Thank you, Mr. Chairman. I appreciate the panel being here. I am sure I could have been here longer as well, but appreciate your written testimonies. Mr. Sanders, as you indicated in your testimony, the employment service program provides similar career services, such as job search assistance, and labor market information, as the WIOA adult and displaced, or dislocated worker programs.

How can the flexibility for states to choose the appropriate staffing model for the employment service improve program integration and reduce the duplication of effort across programs?

Mr. SANDERS. I think with the flexibility that I talk about in my testimony it would give the states the ability to set up the distribution network accordingly. I think one of the pieces that is going to

come down the pike with the advent, and the onslaught of artificial intelligence coming our way, I think states will ultimately have to adjust the way services are delivered.

Having the flexibility to move staff around accordingly, I think will yield in a better product for the job seekers that are going to come through the system.

Mr. WALBERG. Well in relation to states, and based on the few states that have been allowed to operate on under this flexibility, what are some impacts they have seen, particularly when it comes to effectively serving job seekers.

Mr. SANDERS. I think it gives them a better hands on approach in both Colorado, Michigan and Massachusetts. They have had that ability to be more flexible. This would go away if the proposed rule were changed, and I think that is something where they would not be able to deliver services on the ground and in the field, and I think that could definitely hurt the individuals in those states.

Mr. WALBERG. Something to be considered seriously. Mr. Sanders, the Department of Labor's 2022 proposed rule to require State merit staff to deliver the employment service program and the flexibility that all states currently receive under DOL's 2020 rule, and pulls the rug out from under the demonstration states, including Michigan, as you have mentioned that have operated with staffing flexibility for decades.

You indicated that nearly all NASWA members support staffing flexibility. I have heard from local workforce boards in my district that are saying the same thing. If both the State workforce agencies and local workforce boards, the folks on the ground implementing WIOA, are clamoring for this flexibility, why do you think the Biden administration is proposing to end it?

Mr. SANDERS. It was not really explained in the proposed rule as to why they are making the change. It was something I think states want that flexibility, and I think you let states decide, and I think that is the direction we should be going.

Mr. WALBERG. Especially since it is working, so your answer is why change something you do not really understand, except to gain more control?

Mr. SANDERS. Right.

Mr. WALBERG. By the Federal Government. Well, I hope it all does not happen. Mr. Chairman, I yield back.

Chairman OWENS. Thank you. We will now start our closing remarks. I would like to recognize Ms. Wilson for her remarks.

Ms. WILSON. Thank you Mr. Chair. Today's hearing helped set the record straight on our progress to foster historic economic growth, and invest in creating millions of new jobs across the country. As we discussed today, one of the most important steps we can take to build on this progress is to put serious money behind the Workforce Innovation and Opportunity Act.

Now is not the time to cut funding for workforce development even further. We must invest in expanding access to skills, development for those who need it most, and ensuring that workers and students have access to only the highest quality opportunities. Thank you to all of our witnesses today, for sharing their experiences.



As the Ranking Member of this Committee, I am especially grateful that Mr. Rick Beasley could join us today to share the great work he is doing with the South Florida Workforce Investment Board. Under his strong leadership, the South Florida Workforce Investment Board has thrived in its work to support economic development and provide high-quality, competitive and better paying jobs for workers.

Mr. Beasley is truly a force in workforce, and with that he has been a long-time champion for job seekers and employers alike. Thank you again, Mr. Beasley, I know you had to alter your schedule, and thank you for your continued dedication, and I look forward to continuing to work with you and with my colleagues on the Committee, to strengthen our workforce system on behalf of all Americans. I yield back.

Chairman OWENS. Thank you, Ms. Wilson. I just want to say sincerely thank you to each and every one of you guys. It has been really refreshing to see the bipartisan solutions. Each and everyone of you guys have the expertise in areas that you have actually spent a lot of time in.

It is obvious you all have a passion for solutions, and I appreciate that. It is well overdue. I also want to say that I am very proud to be from the State of Utah. It is a State that understands what collaboration is, what innovation is, what thinking outside the box is, because we have an end game of winning and make sure our citizens are provided the very best in whatever we are trying to present.

That is exactly what we need to have here, collaboration. I think it is shameful, to be honest with you, to see success in one State, and it is illegal to export that success to other states. It makes absolutely no sense, other than the fact that that is the tradition D.C. bureaucracy.

We have people who are not only risk adverse, but innovative reverse, inverse—adverse, and who would anyway, they do not like innovation. We need to change that trajectory, and this is how we get it done.

I think the last word we should ever hear here in this body is a black box when it comes down to communication transparency and innovation. The last thing we need. I just want to thank you guys again because at the end of the day what we do here, and I will say that I am excited about being part of the conference, that truly is looking at being innovative in our legislation.

The only way you can do that is you have to hear from innovators. You guys think about this 24/7. You have decades of experience, and why reinvent the wheel when you know what makes the wheel spin correctly. We look forward to this. This is one area again; I see a true bipartisan effort.

At the end of the day, 4 million unfilled jobs, those are true people, they are real people, Americans, who are losing their hopes and dreams, and we cannot afford to let that happen. I look forward to having this continuous conversation. I think we are going to get some things done because of the way we are approaching as a body, and I look forward to getting Americans back to work, so thank each and every one of you guys for what you put in, and your time today that was spent with us.

I would like to thank you guys as witnesses, for taking the time to testify before the Subcommittee today. Without objection, there being no further business, the Subcommittee now stands adjourned.

**Statement for the Record from  
REPRESENTATIVE GREGORIO KILILI CAMACHO SABLAN**

**Committee on Education and the Workforce  
Higher Education, Elementary, and Workforce Development Subcommittee  
Hearing:**

**"Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and  
Taxpayers"**

**Wednesday, September 20, 2023  
10:15 a.m.**

**Statement on Inclusion of H.R. 3193 – *Employment Services and Jobs Parity Act* in WIOA  
Reauthorization (to amend the Wagner-Peyser Act to include the Commonwealth of the  
Northern Mariana Islands and American Samoa)**

I'd like to focus on an issue of significant importance to me and my district, which is including the Northern Mariana Islands and American Samoa under the Wagner-Peyser Act. This has been a longstanding priority of mine, along with Congresswoman Radewagen.

Our legislation, the *Employment Services and Jobs Parity Act*, would fill a critical gap in the workforce development services we are able to provide employees by extending the fundamental Federal Employment Service to the only two remaining U.S. jurisdictions currently unable to participate in the program.

The Employment Service has grown to become a critical part of the workforce development system under WIOA. In the Northern Marianas, the support that would be administered through the program with increasing employment opportunities for all workers and meeting the needs of the businesses in our communities is needed more now than ever before. We have *thousands* of workers who are, or will be, impacted by the unique touchback requirements of the CW-1 visa program and the end of the program in 2029. This is coupled with the impact of the end of pandemic assistance, resulting in the loss of jobs for hundreds of local government workers whose salaries relied on ARPA funds.

Exclusion under the Wagner-Peyser Act not only means being ineligible to participate in the Employment Service, but also means exclusion from other critical programs including the Work Opportunity Tax Credit and the Jobs for Veterans State Grants Program. This is just *unfathomable* given the duty we have to support the needs of military servicemembers, veterans, and their families in the U.S. Pacific region.

I have been told in the past that the Marianas and American Samoa cannot be included in the Employment Service because they do not pay into the Unemployment Trust Fund. This is *despite* there being an existing statutory exclusion which benefits one territory that also does not pay into the Trust Fund.

I am not asking for a handout. What I am asking for is equity. What I am asking for are resources to help United States Citizens, and to support their ability to find meaningful work; and for our businesses to operate.

As we consider strengthening WIOA— Chairman Owens, Ranking Member Wilson, Chairwoman Foxx, and Ranking Member Scott – I ask for you to please work with me and Congresswoman Radewagen to empower workers, and finally make inclusion of our districts under Wagner-Peyser a reality.

Thank you.

[Whereupon at 12:04 p.m., the Subcommittee was adjourned.

